



2025/2337

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**COMMISSION IMPLEMENTING REGULATION (EU) 2025/2337**

**of 24 November 2025**

**amending Implementing Regulation (EU) 2023/1452 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union <sup>(1)</sup> ('the basic Regulation'), and in particular Article 11(3) thereof,

Whereas:

**1. PROCEDURE**

**1.1. Previous investigations and measures in force**

- (1) By Council Implementing Regulation (EU) 248/2011 <sup>(2)</sup>, the Council imposed a definitive anti-dumping duty on imports of certain continuous filament glass fibre products ('GFR') originating in the People's Republic of China ('the PRC' or 'China', or 'the country concerned'). The duty, based on the injury elimination level, ranged from 7,3 % to 13,8 %.
- (2) By Commission Implementing Regulation (EU) 1379/2014 <sup>(3)</sup>, following an anti-subsidy investigation and a partial interim review of the anti-dumping measures, the Commission amended the original anti-dumping duty to values ranging from 0 % to 19,9 % and imposed an additional countervailing duty ranging from 4,9 % to 10,3 %. The resulting combined countervailing and anti-dumping measures ranged from 4,9 % to 30,2 %.
- (3) By Commission Implementing Regulation (EU) 2017/724 <sup>(4)</sup>, following an expiry review of the anti-dumping measures, the Commission maintained these measures as established in Implementing Regulation (EU) 1379/2014.
- (4) By Commission Implementing Regulation (EU) 2021/328 <sup>(5)</sup>, following an expiry review of the countervailing measures, the Commission decided to maintain these measures as established in Implementing Regulation (EU) 1379/2014.

<sup>(1)</sup> OJ L 176, 30.6.2016, p. 21, ELI: <http://data.europa.eu/eli/reg/2016/1036/oj>.

<sup>(2)</sup> Council Implementing Regulation (EU) No 248/2011 of 9 March 2011 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain continuous filament glass fibre products originating in the People's Republic of China (OJ L 67, 15.3.2011, p. 2, ELI: [http://data.europa.eu/eli/reg\\_impl/2011/248/oj](http://data.europa.eu/eli/reg_impl/2011/248/oj)).

<sup>(3)</sup> Commission Implementing Regulation (EU) No 1379/2014 of 16 December 2014 imposing a definitive countervailing duty on imports of certain filament glass fibre products originating in the People's Republic of China and amending Council Implementing Regulation (EU) No 248/2011 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China (OJ L 367, 23.12.2014, p. 22, ELI: [http://data.europa.eu/eli/reg\\_impl/2014/1379/oj](http://data.europa.eu/eli/reg_impl/2014/1379/oj)).

<sup>(4)</sup> Commission Implementing Regulation (EU) 2017/724 of 24 April 2017 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 107, 25.4.2017, p. 4, ELI: [http://data.europa.eu/eli/reg\\_impl/2017/724/oj](http://data.europa.eu/eli/reg_impl/2017/724/oj)).

<sup>(5)</sup> Commission Implementing Regulation (EU) 2021/328 of 24 February 2021 imposing a definitive countervailing duty on imports of continuous filament glass fibre products originating in the People's Republic of China following an expiry review pursuant to Article 18 of the Regulation (EU) 2016/1037 of the European Parliament and of the Council (OJ L 65, 25.2.2021, p. 1, ELI: [http://data.europa.eu/eli/reg\\_impl/2021/328/oj](http://data.europa.eu/eli/reg_impl/2021/328/oj)).

- (5) By Commission Implementing Regulation (EU) 2023/1452 <sup>(6)</sup>, following an expiry review of the anti-dumping measures, the Commission decided to maintain these measures as established in Implementing Regulation (EU) 1379/2014.
- (6) The resulting combined countervailing and anti-dumping measures therefore range from 4,9 % to 30,2 %.
- (7) Measures are also in force on imports of GFR originating in Egypt, imposed by Commission Implementing Regulation (EU) 2020/870 <sup>(7)</sup> following an anti-subsidy investigation. The duty on imports of certain continuous filament glass fibre products originating in Egypt, based on the level of subsidisation is 13,1 %.

#### 1.2. Other ongoing investigations of the same product

- (8) On 30 August 2024, the Commission initiated a partial interim review, limited to injury, of the anti-subsidy measures applicable to imports of GFR originating in the People's Republic of China. It published a Notice of Initiation in the *Official Journal of the European Union* <sup>(8)</sup>.
- (9) On 17 February 2025, the Commission initiated an anti-dumping proceeding concerning imports of GFR originating in Bahrain, Egypt and Thailand. It published a Notice of Initiation in the *Official Journal of the European Union* <sup>(9)</sup>.

#### 1.3. Initiation

- (10) On 30 August 2024, the European Commission ('the Commission') initiated an interim review of the anti-dumping measures applicable to imports of GFR originating in the People's Republic of China on the basis of Article 11(3) of the basic Regulation. The Commission published a Notice of Initiation in the *Official Journal of the European Union* <sup>(10)</sup> ('the Notice of Initiation').
- (11) The Commission initiated this review following a request lodged on 3 June 2024 by Glass Fibre Europe ('the applicant'). The review request was made on behalf of the Union industry of GFR within the meaning of Article 5(4) of the basic Regulation. The review request contained evidence of changes of lasting nature in the structure of Chinese and Union GFR industries, as well as dumping and resulting material injury, that was sufficient to justify the initiation of the investigation.

#### 1.4. Interested parties

- (12) In the Notice of Initiation, the Commission invited interested parties to contact it in order to participate in the investigation. In addition, the Commission specifically informed the applicant, other known Union producers, the known exporting producers in the PRC as well as the authorities of the PRC, known importers, users as well as associations known to be concerned about the initiation of the investigation and invited them to participate.
- (13) Interested parties had an opportunity to comment on the initiation of the review investigation and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings.

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<sup>(6)</sup> Commission Implementing Regulation (EU) 2023/1452 of 13 July 2023 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 179, 14.7.2023, p. 57, ELI: [http://data.europa.eu/eli/reg\\_impl/2023/1452/oj](http://data.europa.eu/eli/reg_impl/2023/1452/oj)).

<sup>(7)</sup> Commission Implementing Regulation (EU) 2020/870 of 24 June 2020 imposing a definitive countervailing duty and definitively collecting the provisional countervailing duty imposed on imports of continuous filament glass fibre products originating in Egypt, and levying the definitive countervailing duty on the registered imports of continuous filament glass fibre products originating in Egypt (OJ L 201, 25.6.2020, p. 10, ELI: [http://data.europa.eu/eli/reg\\_impl/2020/870/oj](http://data.europa.eu/eli/reg_impl/2020/870/oj)).

<sup>(8)</sup> Notice of initiation of a partial interim review of the anti-subsidy measures applicable to imports of continuous filament glass fibre products ('GFR') originating in the People's Republic of China, (OJ C, C/2024/5343, 30.8.2024, ELI: <http://data.europa.eu/eli/C/2024/5343/oj>).

<sup>(9)</sup> Notice of initiation of an anti-dumping proceeding concerning imports of continuous filament glass fibre products ('GFR') originating in Bahrain, Egypt and Thailand (OJ C, C/2025/1135, 17.2.2025, ELI: <http://data.europa.eu/eli/C/2025/1135/oj>).

<sup>(10)</sup> Notice of initiation of an interim review of the anti-dumping measures applicable to imports of continuous filament glass fibre products ('GFR') originating in the People's Republic of China (OJ C, C/2024/5344, 30.8.2024, ELI: <http://data.europa.eu/eli/C/2024/5344/oj>).

### 1.5. Subsequent procedure

- (14) The Commission informed all interested parties of the essential facts and considerations on the basis of which it intended to impose a definitive anti-dumping duty on imports of GFR originating in the PRC. All parties were granted a period within which they could make comments on the disclosure. Comments submitted by Glass Fibre Europe, PROXIM, Jiangsu Changhai Composite Materials Holding Co., Ltd. and the Jushi Group Co., Ltd. after the disclosure were addressed in the relevant section below.
- (15) Parties who so requested were also granted an opportunity to be heard. Hearings took place with Glass Fibre Europe, Jiangsu Changhai Composite Materials Holding Co., Ltd. and the Jushi Group Co., Ltd.
- (16) Following the disclosure referred to in recital (14), the Commission subsequently made an additional final disclosure to all interested parties. This additional disclosure contained updated findings and considerations. Parties were given the opportunity to comment on this additional disclosure, and the comments received were addressed in the relevant section below.

### 1.6. Claims on initiation

- (17) No comments on initiation were received.

### 1.7. Sampling

- (18) In the Notice of Initiation, the Commission stated that it might sample interested parties in accordance with Article 17 of the basic Regulation.

#### 1.7.1. Sampling of Union producers

- (19) In the Notice of Initiation, the Commission stated that it had provisionally selected a sample of Union producers. The Commission selected the sample on the basis of the largest volume of production and sales during the period from 1 July 2023 to 30 June 2024 reported by the Union producers in the context of the pre-initiation standing assessment analysis. The sample consisted of three Union producers accounting for more than 60 % of the estimated total volume of production and more than 69 % of the estimated total volume of sales of the like product in the Union. The Commission invited interested parties to comment on the provisional sample. No comments were received. The sample was considered representative of the Union industry.

#### 1.7.2. Sampling of unrelated importers

- (20) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked unrelated importers to provide the information specified in the Notice of Initiation.
- (21) No unrelated importer replied to the sampling form. Consequently, the Commission decided that sampling was not necessary.

#### 1.7.3. Sampling of exporting producers

- (22) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked all exporting producers in the PRC to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the People's Republic of China to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.
- (23) Four exporting producers/groups in the PRC provided the requested information and agreed to be included in the sample. In accordance with Article 17(1) of the basic Regulation, the Commission selected a sample composed of two exporting producers/groups on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. In accordance with Article 17(2) of the basic Regulation, all known exporting producers concerned, and the authorities of the PRC were consulted on the selection of the sample. The initial sample consisted of the Jushi Group and Jiangsu Changhai Composite Materials Holding Co., Ltd ('Jiangsu Changhai'). The Taishan Fiberglass Group, a group of exporting producers initially not included in the sample, submitted comments on its relationship to one of the initially sampled companies, the Jushi Group, through the China National Building Materials Group (also referred to as 'CNBM' or 'CNBM Group').

- (24) On 20 September 2024, the Commission notified all interested parties that provisional sample had changed, and that the Taishan Fiberglass Group and the Jushi Group would be treated as related companies within the meaning of Article 127 of Commission Implementing Regulation (EU) 2015/2447 <sup>(11)</sup>, and be considered as part of the same group, the CNBM Group. The final sample thus consisted of the CNBM Group and Jiangsu Changhai, representing 98 % of the volume of exports from the PRC to the Union. No comments were received on the definitive sample.

#### 1.8. Individual examination

- (25) No companies came forward requesting individual examination.

#### 1.9. Questionnaire replies and verification visits

- (26) The Commission sent a questionnaire concerning the existence of significant distortions in the PRC within the meaning of Article 2(6a)(b) of the basic Regulation to the Government of the People's Republic of China ('GOC').
- (27) The Commission published online <sup>(12)</sup> the questionnaires for the exporting producers, users, unrelated importers and Union producers.
- (28) Questionnaire replies were received from all three Union producers selected in the sample of Union producers, two users and the sampled Chinese exporting producers and their related traders in the Union.
- (29) The Commission sought and verified all the information deemed necessary for a determination of dumping, resulting injury and Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following companies:
- Union producers:
    - 3B Fibreglass Company Sprl, Battice, Belgium,
    - European Owens Corning Fiberglas SPRL, Watermael-Boitsfort, Belgium,
    - Johns Manville Slovakia, Trnava, Slovakia.
  - Exporting producers in the PRC:
    - China National Building Material Group Co. Ltd. ('CNBM' or 'CNBM Group'), consisting of:
      - Jushi Group Co., Ltd.,
      - Jushi Group Chengdu Co., Ltd.,
      - Jushi Group Jiujiang Co., Ltd.,
      - Taishan Fiberglass Inc.,
      - Taishan Fiberglass Zoucheng Co., Ltd.,
      - Taishan Fiberglass Zibo, Inc.,
    - Jiangsu Changhai Composite Materials Holding Co., Ltd. ('Jiangsu').
  - Traders related to CNBM located in the PRC and Hong Kong, SAR:
    - Jushi Hong Kong Co., Ltd.,
    - China Jushi Co., Ltd.;

<sup>(11)</sup> Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, p. 558, ELI: [http://data.europa.eu/eli/reg\\_impl/2015/2447/oj](http://data.europa.eu/eli/reg_impl/2015/2447/oj)).

<sup>(12)</sup> <https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2749>.

— Traders related to CNBM located in the Union:

- Jushi Italia Srl.,
- Jushi Spain SA,
- Jushi France SAS.

#### 1.10. Review investigation period and period considered

- (30) The investigation of dumping and injury covered the period from 1 July 2023 to 30 June 2024 ('the review investigation period'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2021 to the end of the review investigation period ('the period considered').

## 2. PRODUCT UNDER REVIEW, PRODUCT CONCERNED AND LIKE PRODUCT

### 2.1. Product under review

- (31) The product subject to this review is chopped glass fibre strands, of a length of not more than 50 mm; glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887); and mats made of glass fibre filaments excluding mats of glass wool ('the product under review'), currently falling under CN codes 7019 11 00, ex 7019 12 00, 7019 14 00 and 7019 15 00 (TARIC codes 7019 12 00 22, 7019 12 00 25, 7019 12 00 26, 7019 12 00 39). The CN and TARIC codes are given for information only without prejudice to a subsequent change in the tariff classification.
- (32) The product under review is the raw material most often used to reinforce thermoplastic and thermoset resins in the composites industry. The resulting composite materials (filament glass fibre reinforced plastics) are used in a large number of industries: the automotive industry, electric/electronics, windmill blades, building/construction, tanks/pipes, consumer goods, aerospace/military, etc.

### 2.2. Product concerned

- (33) The product concerned is the product under investigation originating in the People's Republic of China ('the product concerned').

### 2.3. Like product

- (34) The investigation showed that the following products have the same basic physical chemical and technical characteristics as well as the same basic uses:
- the product concerned when exported to the Union,
  - the product under investigation produced and sold on the domestic market of country concerned, and
  - the product under investigation produced and sold in the Union by the Union industry.

- (35) The Commission decided at this stage that those products are therefore like products within the meaning of Article 1(4) of the basic Regulation.

### 2.4. Claims regarding product scope

- (36) Following disclosure, Glass Fibre Europe submitted comments concerning the product scope of the measures.
- (37) These comments were received after the deadline set for submitting comments on the final disclosure. In addition, the interim review was limited to examination of dumping and injury.
- (38) As the submissions were received outside the prescribed time limit, the Commission did not take them into account and rejected the request.

### 3. CHANGES OF LASTING NATURE

#### 3.1. Changes of lasting nature in the structure of the Chinese GFR industry and market

- (39) In accordance with Article 11(3) of the basic Regulation, the Commission analysed whether the change in circumstances with regard to dumping and injury could reasonably be said to be of a lasting nature.
- (40) In the request, the applicants submitted that that the lasting changes concerning dumping related to a significant change in the structure of the Chinese GFR industry, increase of production volume, production capacity and spare production capacity of the product under review in the PRC, and the resulting massive overcapacity and downward pressure on export prices.
- (41) The Commission noted that in every expiry review since Implementing Regulation (EU) 2017/724, the data on excess GFR capacity in China confirmed a significant increase in overcapacity, from 150 000 tonnes in 2015 <sup>(13)</sup>, up to 1,1 million tonnes in 2021 <sup>(14)</sup>.
- (42) In light of the data supporting the argument of lasting increase in the production capacity of the GFR industry in the PRC, the evolution of the capacity of the cooperating exporting producers was investigated and verified. All sampled cooperating exporting producers reported increases in production capacity, going from 1,5 million tonnes in 2016 up to 4,1 million tonnes during the RIP. Between 2020 and 2021, at the peak of the COVID-19 pandemic and lockdowns, Chinese GFR producers were able to increase their production output by more than 1 million tonnes in one year alone.
- (43) It is recalled that GOC did not cooperate in this review. Therefore, the Commission relied on the information contained in the review request to establish Chinese domestic demand for GFR. On this basis, Chinese domestic demand for GFR amounted to approximately 3,1 million tonnes between 2023 and 2024, translating in overcapacities of at least 1 million tonnes if compared with the verified data submitted by the sampled Chinese exporting producers alone. When taking into account other Chinese exporting producers, such as Chongqing Polycomp International Corp. <sup>(15)</sup>, Shandong Fiberglass Group Corp. Ltd <sup>(16)</sup> and Chongqing Sanlei Fiberglass Co. Ltd. <sup>(17)</sup>, and their announced capacity increases, Chinese overcapacities could be above 2 million tonnes.
- (44) In addition, all sampled exporting producers reported recent investments in new furnaces and production lines, with the CNBM Group opening two new manufacturing plants in Taiyuan <sup>(18)</sup> and Huai'an <sup>(19)</sup>, increasing manufacturing capacity by over 800 000 tonnes per year.

#### 3.2. Changes of lasting nature in the structure of the Union industry and market

- (45) In the Notice of Initiation, the Commission indicated that the lasting changes concerning injury related to significant changes in the structure of the Union industry due to the increasing aggressive pressure of Chinese imports in terms of quantities and prices caused by the Chinese GFR overcapacities.

<sup>(13)</sup> OJ L 107, 25.4.2017, recital (49).

<sup>(14)</sup> OJ L 179, 14.7.2023, recital (183).

<sup>(15)</sup> Based on data submitted in the sampling exercise.

<sup>(16)</sup> See Shandong glass fiber: in 2025, the output of glass fiber and products will reach 1 million tons, EqualOcean. Available at: <https://equalocean.com/briefing/20220623230146629>.

<sup>(17)</sup> See the company's presentation website, where they state that it 'plans to invest a total of 5 billion yuan to build a glass fiber production base with an annual output of 500 000 tons. The first phase of the project will build two large-scale pool kiln production lines with a total capacity of 200 000 tons and two chopped strand mat composite material production lines with a total capacity of 10 000 tons. The first 85 000-ton production line was ignited and put into production on November 24, 2017, and the second 120 000-ton production line was ignited and put into production on June 27, 2022'. Available at <http://sanleiglassfiber.com/?aboutus/>.

<sup>(18)</sup> See the website of China Composite Materials Industry Association, available at Annual output of 600,000 tons of glass fiber! Taishan Glass Fiber Taiyuan Project is progressing in an orderly manner\_China Composite Materials Industry Association official website.

<sup>(19)</sup> See <https://www.cnbm.com.cn/EN/000000160001/68057.html> and <https://www.jushi.com/business/group/huaian-company-847.html>.

- (46) The investigation confirmed that the persistent overcapacity in China, coupled with aggressive pricing, has significantly hindered the growth of the GFR Union industry. Union producers have only managed limited capacity increases by optimising existing facilities. Following the implementation of additional trade measures in 2014, Chinese exports continued to exert pressure on the Union market, causing several producers to exit the market. In 2009, during the investigation period of the original investigation, there were eleven producers of GFR in the Union. By 2021, the beginning of the period considered, this number had declined to ten. Notably, P-D Glasseiden ceased production in Germany in 2019. More recently, Krosglass discontinued the production of GFR in July 2023 to focus on downstream activities. In addition, NEG NL declared bankruptcy<sup>(20)</sup> mainly due to escalating energy costs and a decline in demand from the automotive sector, which was the main end-market for its optical-fibre glass products. This additional closure thus brought the number of producers down to only eight. In parallel, Electric Glass Fiber UK has ceased production of GFR<sup>(21)</sup> in 2025. Whereas the United Kingdom is no longer part of the European Union since 1 January 2021, this development does not change the number of Union producers, though it reduces available regional supply and forms part of the lasting changes affecting the Union market.
- (47) Looking at the evolution of production capacity, whereas capacity in the Union market was assessed only for the sampled producers in the original investigation and cannot be used as a point of reference in this regard, Union production capacity was estimated at 725 960 tonnes in 2015 in the 2017 expiry review of the anti-dumping measures<sup>(22)</sup>. By contrast, in the current investigation, capacity declined from 711 692 tonnes in 2021 to 651 196 tonnes in the RIP (– 9 %), i.e. about 10 % below the 2015 level found during the original investigation. Even when not taking into account the UK producer in the post-Brexit indicators, the downward trend relating to production capacity was confirmed.
- (48) When comparing the data available from the original investigation, Union industry's sales fell from 737 818 tonnes in 2006 to 520 064 tonnes in the investigation period, with market share decreasing from 75,1 % to 69,5 % over the same period. By contrast, in the current investigation the Union industry's sales declined down to 337 898 tonnes in the RIP with market share dropping to 40 % in the RIP. This shows that Union sales have now reached levels well below that of the mid-2000s and, more importantly, that market share has contracted by roughly 30 percentage points, signalling a lasting erosion of the Union industry's position.
- (49) The situation on the Union market has also been affected by the establishment of Chinese owned companies producing GFR in third countries such as Egypt and Bahrain<sup>(23)</sup>. After the establishment of the companies in Egypt, the Commission imposed countervailing duties on imports of GFR from Egypt<sup>(24)</sup> aiming at restoring a level playing field in view of the subsidised imports injuring the Union industry. Furthermore, there have been additional capacity increases in production of GFR in Egypt<sup>(25)</sup> and Bahrain<sup>(26)</sup>. Despite the measures taken against GFR imports from the PRC, the Union industry remained under persistent pressure from recurring inflows of unfairly traded GFR coming from a growing number of third countries, including Chinese-controlled facilities in Bahrain and Egypt, which increased their market share on the Union market significantly. On 17 February 2025, the Commission initiated an anti-dumping proceeding regarding imports of GFR originating in Bahrain, Egypt, and Thailand<sup>(27)</sup>.
- (50) The Commission also established that structural changes have occurred in Union energy markets. Although energy costs had fallen from their 2022 peak by the end of the RIP, they remained above the levels prevailing at the beginning of the period considered. The Commission considered that it is unlikely that gas prices will return to or firmly stabilise at the levels observed until mid-2021. Since that year, most Member States that previously relied on pipeline imports of natural gas from Russia have progressively reduced such dependence. Following Russia's unjustified military aggression against Ukraine, the Union and its Member States reinforced and accelerated measures to diversify energy supplies and to eliminate reliance on Russian gas. In this context, at least 17 new LNG terminals have been planned or are under construction<sup>(28)</sup>. Given the scale of investment required for

<sup>(20)</sup> <https://pdf.irpocket.com/C5214/cXlT/CQ9H/RQLv.pdf> consulted on 22 August 2025.

<sup>(21)</sup> <https://www.ft.com/content/345784e3-a9ce-4808-8f02-8919920c0ac6> consulted on 22 August 2025.

<sup>(22)</sup> See footnote 4, recital 95.

<sup>(23)</sup> See footnote 5.

<sup>(24)</sup> See footnote 7.

<sup>(25)</sup> [https://www.jecomposites.com/news/spotted-by-jec/jushi-egypt-completes-the-construction-of-its-fourth-glass-fiber-production-line/?news\\_type=announcement,business&tax\\_product=glass-fiber](https://www.jecomposites.com/news/spotted-by-jec/jushi-egypt-completes-the-construction-of-its-fourth-glass-fiber-production-line/?news_type=announcement,business&tax_product=glass-fiber) consulted on 22 August 2025.

<sup>(26)</sup> See footnote 6, recital 111.

<sup>(27)</sup> See footnote 9.

<sup>(28)</sup> <https://www.ft.com/content/16031b21-cb2f-40c7-a77d-1ac061196264> consulted on 22 August 2025.

LNG infrastructure and the Union's clear commitment to ending dependence on Russian pipeline gas<sup>(29)</sup>, the Commission concluded that the Union is highly unlikely to return to sourcing Russian gas in the volumes and at the prices that prevailed prior to 2021. Accordingly, it must be expected that gas prices will remain durably higher than those seen until the first half of 2021.

- (51) The Commission noted that the Union industry operates in a context of increasingly stringent environmental and energy-related obligations. In its 2023 position paper, the applicant warned that Union GFR producers face rising operating costs linked to environmental and energy compliance<sup>(30)</sup>. In this regard, a recent life-cycle assessment covering around 95 % of Union production of glass-fibre fabrics demonstrated that the manufacture of one kilogram of fabric entails an average environmental footprint of 2,2 kg CO<sub>2</sub> emissions and 39 MJ of primary energy consumption<sup>(31)</sup>. Between 2015 and 2021, industry-wide energy consumption decreased by 8 % and greenhouse gas emissions by 3 %. These figures indicate that, while some progress has been achieved, further reductions will require substantial additional investments. Furthermore, the Commission observed that Union legislation in the field of environmental protection, including the Industrial Emissions Directive (Directive 2010/75/EU of the European Parliament and of the Council<sup>(32)</sup>) as amended by Directive (EU) 2024/1785 of the European Parliament and of the Council<sup>(33)</sup>), as well as other climate and circular economy measures forming part of the European Green Deal, is expected to bring additional compliance costs for Union producers. Taken together, these findings confirm that environmental costs for the Union industry are expected to rise in the coming years. This constitutes a lasting change in the cost structure of the Union industry.
- (52) The Commission recalls that the product concerned is mainly used as reinforcement material in the production of composites. More than 95 % of glass-fibre demand in the Union is linked to such reinforcement applications. In recent years, however, the Union market for composites has contracted. Production volumes of glass-fibre-reinforced plastics in Europe fell by 9 % in 2022 and by an additional 8 % in 2023<sup>(34)</sup>, bringing total output down to 2,4 million tonnes in 2024, a level not seen since 2012. At the same time, global composites production expanded by approximately 6 % in 2023, underlining the decrease of Union's market share. This contraction has a direct impact on demand for the basic forms of glass fibre covered by the current review. On this basis, the Commission concluded that the decline in Union composites demand, coupled with increased world wide production and increased imports from third countries, represented a lasting change in market circumstances.

### 3.3. Conclusion

- (53) In light of the above, the Commission concluded that since the original investigation there were changes in circumstances of a lasting nature, both with regard to the structure of the Chinese GFR industry and market and the structure of the Union industry and market, which is considered a relevant change in circumstances within the meaning of Article 11(3) of the basic Regulation.

## 4. DUMPING

### 4.1. Procedure for the determination of the normal value under Article 2(6a) of the basic Regulation

- (54) In view of the sufficient evidence available at the initiation of the investigation pointing to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation with regard to the PRC, the Commission considered it appropriate to initiate the investigation with regard to the exporting producers from this country having regard to Article 2(6a) of the basic Regulation.

<sup>(29)</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM (2022) 360 final of 20.7.2022.

<sup>(30)</sup> [https://glassfibreeurope.eu/wp-content/uploads/2023/06/GFE\\_EU-Economic-Security-Strategy-and-the-Role-of-Glass-Fibre-June-2023.pdf](https://glassfibreeurope.eu/wp-content/uploads/2023/06/GFE_EU-Economic-Security-Strategy-and-the-Role-of-Glass-Fibre-June-2023.pdf) consulted on 22 August 2025.

<sup>(31)</sup> [https://glassfibreeurope.eu/wp-content/uploads/2023/02/GFE\\_LCA-report-2023-February-2023.pdf](https://glassfibreeurope.eu/wp-content/uploads/2023/02/GFE_LCA-report-2023-February-2023.pdf) consulted on 21 August 2025.

<sup>(32)</sup> Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17, ELI: <http://data.europa.eu/eli/dir/2010/75/oj>).

<sup>(33)</sup> Directive (EU) 2024/1785 of the European Parliament and of the Council of 24 April 2024 amending Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (integrated pollution prevention and control) and Council Directive 1999/31/EC on the landfill of waste (OJ L, 2024/1785, 15.7.2024, ELI: <http://data.europa.eu/eli/dir/2024/1785/oj>).

<sup>(34)</sup> [https://www.avk-tv.de/wp-content/uploads/2025/02/AVK\\_MarktReport\\_2025\\_long\\_final\\_en-1.pdf](https://www.avk-tv.de/wp-content/uploads/2025/02/AVK_MarktReport_2025_long_final_en-1.pdf) consulted on 22 August 2025.

- (55) Consequently, in order to collect the necessary data for the eventual application of Article 2(6a) of the basic Regulation, in the Notice of Initiation the Commission invited all exporting producers in the PRC to provide information regarding the inputs used for producing GFR. Two sampled companies/groups submitted the relevant information.
- (56) In order to obtain information it deemed necessary for its investigation with regard to the alleged significant distortions, the Commission sent a questionnaire to the GOC. In addition, in point 5.3.2 of the Notice of Initiation, the Commission invited all interested parties to make their views known, submit information and provide supporting evidence regarding the application of Article 2(6a) of the basic Regulation within 37 days of the date of publication of the Notice of Initiation in the *Official Journal of the European Union*.
- (57) No questionnaire reply was received from the GOC and no submission on the application of Article 2(6a) of the basic Regulation was received within the deadline. Subsequently, the Commission informed the GOC that it would use facts available within the meaning of Article 18 of the basic Regulation for the determination of the existence of the significant distortions in the PRC.
- (58) In the Notice of Initiation, the Commission also specified that, in view of the evidence available, it may need to select an appropriate representative country pursuant to Article 2(6a)(a) of the basic Regulation for the purpose of determining the normal value based on undistorted prices or benchmarks.
- (59) On 23 January 2025, the Commission informed by a first note ('the First Note') interested parties on the relevant sources it intended to use for the determination of the normal value. In that note, the Commission provided a list of all factors of production ('FOP') such as raw materials, labour and energy used in the production of GFR. In addition, based on the criteria guiding the choice of undistorted prices or benchmarks, the Commission identified possible representative countries, namely Brazil, Mexico, Thailand and Türkiye.
- (60) On 10 July 2025, the Commission addressed the comments received from interested parties on the First Note and informed interested parties on the relevant sources it intended to use for the determination of the normal value, with Türkiye as the representative country by a second note ('the Second Note'). It also informed interested parties that it would establish selling, general and administrative costs ('SG&A') and profit based on available information for the company Şişe Ve Cam Fabrikalari A.Ş., a producer in the representative country.
- (61) The Commission received comments on the Second Note from the Jushi Group, part of the CNBM Group, Glass Fibre Europe, Jiangsu Changhai and one user, PROXIM. These comments have been addressed under respective heading under Section 4.2.2 below.
- (62) After having analysed the comments and information received within the deadlines, the Commission concluded that Türkiye was an appropriate representative country from which undistorted prices and costs would be sourced for the determination of the normal value, with the exception of pyrophyllite. The underlying reasons for that choice are further described in detail in Section 4.2.2 below.

#### 4.2. Normal value

- (63) According to Article 2(1) of the basic Regulation, *'the normal value shall normally be based on the prices paid or payable, in the ordinary course of trade, by independent customers in the exporting country'*.
- (64) However, according to Article 2(6a)(a) of the basic Regulation, *'in case it is determined ... that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions within the meaning of point (b), the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks'*, and *'shall include an undistorted and reasonable amount of administrative, selling and general costs and for profits'* ('administrative, selling and general costs' is referred hereinafter as 'SG&A').
- (65) As further explained below, the Commission concluded in the present investigation that, based on the evidence available, and in view of the lack of cooperation of the GOC, the application of Article 2(6a) of the basic Regulation was appropriate.

#### 4.2.1. Existence of significant distortions

- (66) In recent investigations concerning the glass fibre sector in the People's Republic of China ('PRC') <sup>(35)</sup>, the Commission found that significant distortions in the sense of Article 2(6a)(b) of the basic Regulation were present.
- (67) In those investigations, the Commission found that there is substantial government intervention in the PRC resulting in a distortion of the effective allocation of resources in line with market principles <sup>(36)</sup>. In particular, the Commission concluded that in the glass fibre sector not only does a substantial degree of ownership by the Government of China ('GOC') persist in the sense of Article 2(6a)(b), first indent of the basic Regulation <sup>(37)</sup>, but the GOC is also in a position to interfere with prices and costs through State presence in firms in the sense of Article 2(6a)(b), second indent of the basic Regulation <sup>(38)</sup>. The Commission further found that the State's presence and intervention in the financial markets, as well as in the provision of raw materials and inputs have an additional distorting effect on the market. Indeed, overall, the system of planning in the PRC results in resources being concentrated in sectors designated as strategic or otherwise politically important by the GOC, rather than being allocated in line with market forces <sup>(39)</sup>. Moreover, the Commission concluded that the Chinese bankruptcy and property laws do not work properly in the sense of Article 2(6a)(b), fourth indent of the basic Regulation, thus generating distortions in particular when maintaining insolvent firms afloat and when allocating land use rights in the PRC <sup>(40)</sup>. In the same vein, the Commission found distortions of wage costs in the chemical sector in the sense of Article 2(6a)(b), fifth indent of the basic Regulation <sup>(41)</sup>, as well as distortions in the financial markets in the sense of Article 2(6a)(b), sixth indent of the basic Regulation, in particular concerning access to capital for corporate actors in the PRC <sup>(42)</sup>.

<sup>(35)</sup> Commission Implementing Regulation (EU) 2020/492 of 1 April 2020 imposing definitive anti-dumping duties on imports of certain woven and/or stitched glass fibre fabrics originating in the People's Republic of China and Egypt, [http://data.europa.eu/eli/reg\\_impl/2020/492/oj](http://data.europa.eu/eli/reg_impl/2020/492/oj); Commission Implementing Regulation (EU) 2023/1452 of 13 July 2023 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council, [http://data.europa.eu/eli/reg\\_impl/2023/1452/oj](http://data.europa.eu/eli/reg_impl/2023/1452/oj); Commission Implementing Regulation (EU) 2024/2673 of 11 October 2024 imposing provisional anti-dumping duty on imports of glass fibre yarns originating in the People's Republic of China, [http://data.europa.eu/eli/reg\\_impl/2024/2673/oj](http://data.europa.eu/eli/reg_impl/2024/2673/oj); Commission Implementing Regulation (EU) 2024/357 of 23 January 2024 imposing a definitive anti-dumping duty on imports of certain open mesh fabrics of glass fibres originating in the People's Republic of China as extended imports cosigned from India, Indonesia, Malaysia, Taiwan and Thailand following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and the Council, [http://data.europa.eu/eli/reg\\_impl/2024/357/oj](http://data.europa.eu/eli/reg_impl/2024/357/oj).

<sup>(36)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 161-162, 167; Commission Implementing Regulation (EU) 2023/1452, recital 68; Commission Implementing Regulation (EU) 2024/2673, recital 70; Commission Implementing Regulation (EU) 2024/357, recitals 139-140.

<sup>(37)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 116-119; Commission Implementing Regulation (EU) 2023/1452, recital 53; Commission Implementing Regulation (EU) 2024/2673, recital 54; Commission Implementing Regulation (EU) 2024/357, recitals 76-81.

<sup>(38)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 120-122; Commission Implementing Regulation (EU) 2023/1452, recital 56; Commission Implementing Regulation (EU) 2024/2673, recitals 57; Commission Implementing Regulation (EU) 2024/357, recitals 82-88; While the right to appoint and to remove key management personnel in SOEs by the relevant State authorities, as provided for in the Chinese legislation, can be considered to reflect the corresponding ownership rights, CCP cells in enterprises, state owned and private alike, represent another important channel through which the State can interfere with business decisions. According to the PRC's company law, a CCP organisation is to be established in every company (with at least three CCP members as specified in the CCP Constitution) and the company shall provide the necessary conditions for the activities of the party organisation. In the past, this requirement appears not to have always been followed or strictly enforced. However, since at least 2016 the CCP has reinforced its claims to control business decisions in SOEs as a matter of political principle. The CCP is also reported to exercise pressure on private companies to put 'patriotism' first and to follow party discipline. In 2017, it was reported that party cells existed in 70 % of some 1,86 million privately owned companies, with growing pressure for the CCP organisations to have a final say over the business decisions within their respective companies. These rules are of general application throughout the Chinese economy, across all sectors, including to the producers of the product under review and the suppliers of their inputs.

<sup>(39)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 123-138; Commission Implementing Regulation (EU) 2023/1452, recital 60; Commission Implementing Regulation (EU) 2024/2673, recital 61; Commission Implementing Regulation (EU) 2024/357, recitals 89-109.

<sup>(40)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 139-142; Commission Implementing Regulation (EU) 2023/1452, recital 62; Commission Implementing Regulation (EU) 2024/2673, recital 63; Commission Implementing Regulation (EU) 2024/357, recitals 110-115.

<sup>(41)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 143-145; Commission Implementing Regulation (EU) 2023/1452, recital 63; Commission Implementing Regulation (EU) 2024/2673, recital 64; Commission Implementing Regulation (EU) 2024/357, recitals 116-118.

<sup>(42)</sup> Commission Implementing Regulation (EU) 2020/492, recitals 146-155; Commission Implementing Regulation (EU) 2023/1452, recital 64; Commission Implementing Regulation (EU) 2024/2673, recital 65; Commission Implementing Regulation (EU) 2024/357, recitals 119-133.

- (68) Like in its previous investigations concerning the glass fibre sector in the PRC, the Commission examined in the present investigation whether it was appropriate or not to use domestic prices and costs in the PRC, due to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation. The Commission did so on the basis of the evidence available on the file, including the evidence contained in the request, and in the Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the Purposes of Trade Defence Investigations <sup>(43)</sup> (*Report*), which relies on publicly available sources. That analysis covered the examination of the substantial government interventions in the PRC's economy in general, but also the specific market situation in the relevant sector including the product under investigation. The Commission further supplemented these evidentiary elements with its own research on the various criteria relevant to confirm the existence of significant distortions in the PRC as also found by its previous investigations in this respect.
- (69) The applicant alleged that significant distortions exist in the Chinese Glass Fibre Reinforcement sector. It referred to the Report and in particular to the PRC's economic system being a 'socialist market economy' and the active role of the Chinese Communist Party ('CCP') in both the public and private sectors in the PRC.
- (70) More specifically, the request pointed out that:
- The Chinese GFR industry presents a substantial degree of ownership and control by the GOC. With regard to this, the applicant noted that the GOC owns the largest and most important GFR producers in China, as well as upstream suppliers and downstream users <sup>(44)</sup>. In particular, the three largest GFR producers in China, Jushi, Taishan Glassfiber and Chongqing Polycomp International Corporation ('CPIC') are State-owned and represent 75 % of the Chinese industry <sup>(45)</sup>. Moreover, control of the GOC over the sector is achieved also through industry associations linked to the Government. For example, the chairman of the Board of Directors of Jushi, Mr. Zhang Yuqiang, holds the position of vice chairman in the China Building Materials Federation ('CBMF'), an industry association tightly linked to the GOC <sup>(46)</sup>. With such links, it is particularly easy for GFR producers to receive ample funding.
  - Chinese policies and measures applicable to the GFR sector discriminate in favour of domestic suppliers or otherwise influence free market forces. Regarding this, the applicant presented the elaborate system of planning in China which articulates at all levels of the economy and presents the goals to be achieved. Such plans can be general or sector specific and highly focus on development of strategic sectors, such as the GFR one. Among the main plans, which refer to the product concerned, the applicant noted the 14th 5-year Plan for National and Economic and Social Development of the PRC, the Made in China 2025 initiative and the 14th 5-year plan for the glass fibre industry.
  - GFR producers use a large number of factors of production of which the costs are distorted in China due to the high GOC intervention. Such costs distortions involve gas, the main factors of production and land. Regarding gas, most providers are State Owned Enterprises ('SOEs'). For example, China National Petroleum Corporation controls 96 % of natural gas in China. Moreover, large key users of electricity are allowed to purchase a certain quantity directly from power generators at prices which are lower than those of grid providers <sup>(47)</sup>. This is the case specifically in the Jiangsu and Shandong provinces, where the main producers of GFR are located. With regards to raw materials, the costs of both kaolin and dolomite are not the result of free market forces. In fact, such costs are the result of distorted costs of labour, and capital allocation. This is also the case for the cost of land, as it is all owned by the State. Even though there are transparent bidding procedures for the allocation of land, those are regularly not respected, with some players purchasing land at lower market rates <sup>(48)</sup>.

<sup>(43)</sup> Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the purposes of Trade Defence Investigations, 10 April 2024, SWD(2024) 91 final, available at: [https://ec.europa.eu/transparency/documents-register/detail?ref=SWD\(2024\)91&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2024)91&lang=en), including the previous version of the document: Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the purposes of Trade Defence Investigations, 20 December 2017, SWD(2017) 483 final/2, available at: [https://ec.europa.eu/transparency/documents-register/detail?ref=SWD\(2017\)483&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2017)483&lang=en).

<sup>(44)</sup> Commission Implementing Regulation (EU) 2023/1452, recital 53.

<sup>(45)</sup> Ibid.

<sup>(46)</sup> Commission Implementing Regulation (EU) 2023/1452, recital 47.

<sup>(47)</sup> Opinion of the General Committee of the Communist Party of China and the State Council on Further Deepening the Reform on the Power System (Zhong Fa [2015] No 9); The Notice on Taking Efforts on the Construction of Power Market in 2017 of Shandong Economy and Information Technology Committee, LJXDL [2017] No 93; Notice on Amending the 2017 Direct Electricity Trading Rules of the National Energy Administration Shandong Supervision Office LJNSC [2017], No 36; Commission Implementing Regulation 2018/1690, recital 461; Commission Implementing Regulation 2021/328, recital 137.

<sup>(48)</sup> Report – Chapter 9, pp. 257-260.

- Lastly, access to finance is also granted by institutions in light of the implementation of public policies objectives. It results that those institutions do not act independently from the State <sup>(49)</sup>. With regard to the product concerned, the applicant noted that GFR producers benefit from preferential loans both from State-owned banks and private banks, thus resulting in distortions.

- (71) In conclusion, the request took the position that prices or costs, including the costs of raw materials, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation. On that basis, according to the request, it is not appropriate to use domestic prices and costs to establish normal value in this case.
- (72) The GOC did not comment or provide evidence supporting or rebutting the existing evidence on the case file and on the existence of significant distortions and/or appropriateness of the application of Article 2(6a) of the basic Regulation in the case at hand. The Commission examined whether it was appropriate or not to use domestic prices and costs in China, due to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation. That analysis covered the examination of the substantial government interventions in China's economy in general, but also the specific market situation in the relevant sector including the product concerned.
- (73) In the glass fibre sector, a substantial degree of ownership and control by the GOC persists in the sense of Article 2(6a)(b), first indent of the basic Regulation. The investigation confirmed that the three largest producers in the GFR sector, namely Jushi <sup>(50)</sup>, Taishan Glassfiber <sup>(51)</sup> and CPIC <sup>(52)</sup>, are either fully state-owned or the State holds a controlling stake. These three producers represent around 70 % of Chinese glass fibre production capacity <sup>(53)</sup>.
- (74) Moreover, CCP interventions into operational decision-making have become the norm, not only in SOEs but also in private companies <sup>(54)</sup>, with the CCP claiming leadership over virtually every aspect of the country's economy. Indeed, the State's influence by means of CCP structures within companies effectively results in economic operators being under the government's control and policy supervision, given how far the State and Party structures have grown together in China.
- (75) The investigation found that the industry national association covering the glass fibre sector is the China Fiber Glass Industry Association ('CFGIA') <sup>(55)</sup>. The CFGIA *'adheres to the overall leadership of the CCP, [...] carries out Party activities, and provides necessary conditions for the activities of Party organizations'* <sup>(56)</sup>. Moreover, the *'registration and management authority of the Association is the Ministry of Civil Affairs'* <sup>(57)</sup> and the conditions to be eligible as a representative of the CFGIA include to *'adhere to the leadership of the CCP, support socialism with Chinese characteristics, resolutely implement the Party's line, principles, and policies, and possess good political qualities'* <sup>(58)</sup>.
- (76) Jushi, Taishan Glassfiber and CPIC are members of CFGIA <sup>(59)</sup>.
- (77) Both public and privately owned enterprises in the glass fibre sector are subject to policy supervision and guidance. The latest Chinese policy documents concerning the glass fibre sector confirm the continued importance which the GOC attributes to the sector, including the intention to intervene in the sector to shape it

<sup>(49)</sup> Report – Chapter 6, pp. 139, 149-152, 156-160, 165-167 and 169-171.

<sup>(50)</sup> See at: <https://www.jushi.com/about> (accessed on 24 June 2025).

<sup>(51)</sup> See at: <https://www.ctgf.com/channels/4.html> (accessed on 24 June 2025).

<sup>(52)</sup> See at: <https://www.cpicfiber.com/channels/2.html#> (accessed on 24 June 2025).

<sup>(53)</sup> See at: <https://finance.sina.com.cn/roll/2024-08-28/doc-incmesvn3606747.shtml> (accessed on 24 June 2025).

<sup>(54)</sup> See Art. 33 of the CCP Constitution, Article 19 of the Chinese Company Law. See also the Report, Chapter 3, p. 47-50.

<sup>(55)</sup> See at: [http://www.cfia.xin/page61?article\\_id=14](http://www.cfia.xin/page61?article_id=14) (accessed on 24 June 2025).

<sup>(56)</sup> See CFGIA Articles of Association, Article 3, available at: [http://www.cfia.xin/page61?article\\_id=14](http://www.cfia.xin/page61?article_id=14) (accessed on 24 June 2025).

<sup>(57)</sup> Ibid.

<sup>(58)</sup> See CFGIA Articles of Association, Article 34, available at: [http://www.cfia.xin/page61?article\\_id=14](http://www.cfia.xin/page61?article_id=14) (accessed on 24 June 2025).

<sup>(59)</sup> See at: [http://www.cfia.xin/page61?article\\_id=13](http://www.cfia.xin/page61?article_id=13) (accessed on 24 June 2025).

in line with the government policies. This is exemplified by the 14th FYP on Developing the Raw Material Industry<sup>(60)</sup> which lists the sector, in particular special-purposes glass fibres, among materials for which technological innovation will be supported by policies under the Plan. Glass fibres are also listed among the encouraged sectors under the 2024 edition of the Guiding Catalogue for Industry Structural Adjustment<sup>(61)</sup>, as well as in the 2024 Guiding Catalogue of Key New Materials eligible to first use/demonstration schemes<sup>(62)</sup>.

- (78) Similar examples of the intention by the Chinese authorities to supervise and guide the development of the sector can be seen at the provincial level, such as in Shandong which, with respect to specifically the glass fibre and composite material industry, plans to *'actively cultivate leading and backbone enterprises with strong brand influence and market appeal, strong integration capabilities and driving effects on industrial chains and industrial clusters, and support cross-industry, cross-regional, and cross-ownership mergers and reorganization of enterprises'* and to *'develop high-performance glass fibers and products [and to e]ncourage the development of ultra-fine, high-strength, high-modulus, alkali-resistant, low-dielectric, low-expansion, high-silica, degradable, special-shaped cross-section and other high-performance glass fiber and glass fiber products. Focusing on the needs of electronic information, aerospace, new energy, large-scale breeding farms, agricultural greenhouses and other fields, research and develop and promote glass fiber reinforced thermoplastic and thermosetting composite products, and glass fiber composite grilles for infrastructure projects'*<sup>(63)</sup>.
- (79) Similarly, the Chongqing Municipality, where CPIC is located, released its 14th FYP on Developing Strategic and Emerging Industries<sup>(64)</sup> which foresees *'expanding the scale of high-performance fiber and composite materials industry'* as well as *'accelerating the construction of projects such as the [...] high-performance glass fiber production line with an annual output of 150 000 tons, and the production base of ultra-fine glass fiber and composite materials, so as to increase the production capacity of high-performance glass fiber and composite materials'*.
- (80) Additionally, emphasis on glass fibres can be seen in planning documents also in other provinces, such as Guangxi<sup>(65)</sup>, Hubei<sup>(66)</sup> or Zhejiang<sup>(67)</sup>.
- (81) As to the GOC being in a position to interfere with prices and costs through State presence in firms in the sense of Article 2(6a)(b), second indent of the basic Regulation, the Commission found that many producers of GFR explicitly emphasise Party building activities on their websites or have Party members in the company management and underline their affiliation to the CCP.
- (82) For instance, Jushi Group's Chairman of the Board serves at the same time as the Deputy Secretary of the Party Committee<sup>(68)</sup>. Moreover, Jushi mentions on its website that *'[u]nder the correct leadership of the Party Committee of China National Building Materials Group, [...] Jushi Party Committee resolutely implements the decisions of the Party Central Committee [...] and always adheres to the leading role of the Party Committee of the company in "setting the direction, managing the overall situation, and ensuring the implementation"'*<sup>(69)</sup>.
- (83) Moreover, Article 195 of Jushi's Articles of Association explicitly provide for direct Party oversight over essential corporate affairs, according to which *'the Party committee of the enterprise shall discuss and decide the major matters of the enterprise in accordance with the regulations'*, with the Party committee's main responsibilities entailing the tasks to *'study and discuss major business management issues of the company, and support the shareholders' meeting, the board of directors, the board of supervisors and the management to exercise their powers according to law'*, as well as to *'strengthen the leadership and control of the selection and employment of the enterprise, and do a good job in the construction of the enterprise leadership team, cadre team and talent team'*<sup>(70)</sup>.

<sup>(60)</sup> See Section III, Subsection 3 of the 14th FYP on Developing the Raw Material Industry, available at: [https://www.gov.cn/zhengce/zhengceku/2021-12/29/content\\_5665166.htm](https://www.gov.cn/zhengce/zhengceku/2021-12/29/content_5665166.htm) (accessed on 24 June 2025).

<sup>(61)</sup> See at: [https://www.ndrc.gov.cn/xxgk/zcfb/tzggwl/202312/t20231229\\_1362999.html](https://www.ndrc.gov.cn/xxgk/zcfb/tzggwl/202312/t20231229_1362999.html) (accessed on 24 June 2025).

<sup>(62)</sup> See at: [https://www.ncsti.gov.cn/kjdt/tzgg/202312/t20231225\\_145433.html](https://www.ncsti.gov.cn/kjdt/tzgg/202312/t20231225_145433.html) (accessed on 24 June 2025).

<sup>(63)</sup> See the Shandong Province 14th FYP on construction materials, Chapter IV, Section 4; available at: <https://huanbao.bjx.com.cn/news/20211129/1190544.shtml> (accessed on 24 June 2025).

<sup>(64)</sup> See at: [https://www.cq.gov.cn/zwgk/zfxxgkml/szfwj/qtgw/202203/t20220318\\_10526318.html](https://www.cq.gov.cn/zwgk/zfxxgkml/szfwj/qtgw/202203/t20220318_10526318.html) (accessed on 24 June 2025).

<sup>(65)</sup> See Guangxi Three-year Action Plan on Strategic and Emerging Industries, available at: [http://guoqing.china.com.cn/zhuanti/2022-06/24/content\\_78288713.htm](http://guoqing.china.com.cn/zhuanti/2022-06/24/content_78288713.htm) (accessed on 24 June 2025).

<sup>(66)</sup> See Hubei 14<sup>th</sup> FYP on High Quality Development of New Materials Industry, available at: [https://jxt.hubei.gov.cn/fbjd/xxgkml/jhgh/202203/t20220325\\_4056642.shtml](https://jxt.hubei.gov.cn/fbjd/xxgkml/jhgh/202203/t20220325_4056642.shtml) (accessed on 24 June 2025).

<sup>(67)</sup> See Zhejiang 14<sup>th</sup> FYP on Developing New Materials, available at: [https://fzggw.zj.gov.cn/art/2021/6/24/art\\_1229539890\\_4671248.html](https://fzggw.zj.gov.cn/art/2021/6/24/art_1229539890_4671248.html) (accessed on 24 June 2025).

<sup>(68)</sup> See at: <https://www.cnbm.com.cn/CNBM/000000020002/66821.html> (accessed on 27 June 2025).

<sup>(69)</sup> See at: <https://www.jushi.com/news/party-building> (accessed on 27 June 2025).

<sup>(70)</sup> See the company's Articles of Association, available at: [https://pdf.dfcfw.com/pdf/H2\\_AN202203181553440430\\_1.pdf?1647632338000.pdf](https://pdf.dfcfw.com/pdf/H2_AN202203181553440430_1.pdf?1647632338000.pdf) (accessed on 27 June 2025).

- (84) As regards Taishan Fiberglass, the Chairman also occupies the position of the Secretary of the Party Committee <sup>(71)</sup>. Also, the company's General Manager also serves as the Deputy Secretary of the Party Committee <sup>(72)</sup> and claims that *'it is necessary to further give full play to the leading role of party building, unite the work of Party members, cadres and workers at all levels, and promote the company's reform and development and production and operation to a new level'* <sup>(73)</sup>.
- (85) In the case of CPIC, the Chairman of the Board of Directors holds at the same time the position of the Secretary of the Party Committee <sup>(74)</sup>.
- (86) Furthermore, policies discriminating in favour of domestic producers or otherwise influencing the market in the sense of Article 2(6a)(b), third indent of the basic Regulation are in place in the GFR sector. While industrial policies typically relate to numerous sectors rather than exclusively to the GFR sector, it is subject to numerous plans, guidelines, directives and other policy documents issued at national, regional and municipal level (see also recitals (77) to (80) above). Those policies are at times squarely at odds with market forces.
- (87) For example, the Guangxi Three-Year Action Plan on Strategic and Emerging Industries administratively sets future target output volumes and growth rates: *'by 2023, the output value of the new material industry will reach 133 billion yuan, and the added value will reach 44 billion yuan'* <sup>(75)</sup>.
- (88) Similarly, the Chongqing Action Plan for the High Quality Development of Fiber and Composite Materials Industry Clusters (2023-2027) also sets quantitative targets: *'by 2027, the total scale of the city's fiber and composite materials industry will exceed RMB 50 billion, the production and sales of glass fiber and composite materials will account for more than 20 % of the national total, 1-2 world-class fiber and composite materials companies and brands will be created, a number of high-quality companies will be introduced, the modernization level of the industrial chain and supply chain will be significantly improved, the innovation ability and quality and efficiency will be significantly improved, the construction of an important national glass fiber and composite materials industry base will be accelerated, and a fiber and composite materials industry cluster with international influence will be created'* <sup>(76)</sup>. To do so, the Chongqing Municipality seeks to *'accelerate the construction of an important national glass fiber and composite materials industry base and create a fiber and composite materials industry cluster with international influence'* <sup>(77)</sup>.
- (89) In sum, the GOC has measures in place to induce operators to comply with the public policy objectives of supporting encouraged industries, including the production of GFR. Such measures impede market forces from operating freely.
- (90) The present investigation has not revealed any evidence that the discriminatory application or inadequate enforcement of bankruptcy and property laws in the chemical sector, according to Article 2(6a)(b), fourth indent of the basic Regulation would not affect the manufacturers of the product under investigation.
- (91) Further, the product under investigation is also affected by the distortions of wage costs in the sense of Article 2(6a)(b), fifth indent of the basic Regulation, as referred to above in recital (67). Those distortions affect the sector both directly (when producing the product under investigation or the main inputs), as well as indirectly (when having access to inputs from companies subject to the same labour system in the PRC) <sup>(78)</sup>.
- (92) Moreover, no evidence was submitted in the present investigation demonstrating that the GFR sector is not affected by the government intervention in the financial system in the sense of Article 2(6a)(b), sixth indent of the basic Regulation. The abovementioned Guiding Opinion requiring to *'improve supporting policies, strengthen the coordination between fiscal, financial, regional, investment, import and export (...) policies with the industry policies [to] give full play to the national cooperation platform between industry and finance and [to] foster the connection between enterprises and banks'* <sup>(79)</sup> also exemplifies this type of government intervention very well. Therefore, the substantial government intervention in the financial system leads to the market conditions being severely affected at all levels.

<sup>(71)</sup> See at: <https://www.ctgf.com/contents/90/1677.html> (accessed on 27 June 2025).

<sup>(72)</sup> See at: <https://www.ctgf.com/contents/91/1625.html> (accessed on 27 June 2025).

<sup>(73)</sup> Ibid.

<sup>(74)</sup> See CPIC 2024 annual report, p.42, available at: [http://file.finance.sina.com.cn/211.154.219.97:9494/MRGG/CNSESZ\\_STOCK/2025/2025-3/2025-03-27/10811471.PDF](http://file.finance.sina.com.cn/211.154.219.97:9494/MRGG/CNSESZ_STOCK/2025/2025-3/2025-03-27/10811471.PDF) (accessed on 27 June 2025).

<sup>(75)</sup> See at: [http://guoqing.china.com.cn/zhuanti/2022-06/24/content\\_78288713.htm](http://guoqing.china.com.cn/zhuanti/2022-06/24/content_78288713.htm) (accessed on 27 June 2025).

<sup>(76)</sup> See at: [https://jjxxw.cq.gov.cn/zwgk\\_213/zcjd/wzjd/202312/t20231204\\_12644698.html](https://jjxxw.cq.gov.cn/zwgk_213/zcjd/wzjd/202312/t20231204_12644698.html) (accessed on 27 June 2025).

<sup>(77)</sup> Ibid.

<sup>(78)</sup> Commission Implementing Regulation (EU) 2024/1959, recitals 153-157 and Commission Implementing Regulation (EU) 2023/2180, recitals 82-84; Commission Implementing Regulation (EU) 2023/752, recital 67.

<sup>(79)</sup> See Section VIII.16, available at: [https://www.gov.cn/zhengce/zhengceku/2022-04/08/content\\_5683972.htm#msdyntrid=WRmyf07ph0z74SHmXoOLKjRWl09BdZ4lGdYp9fi9xU](https://www.gov.cn/zhengce/zhengceku/2022-04/08/content_5683972.htm#msdyntrid=WRmyf07ph0z74SHmXoOLKjRWl09BdZ4lGdYp9fi9xU) (accessed on 18 April 2025).

- (93) Finally, the Commission recalls that in order to produce the product under investigation, a number of inputs is needed. When the producers of the product under investigation purchase/contract these inputs, the prices they pay (and which are recorded as their costs) are clearly exposed to the same systemic distortions mentioned before. For instance, suppliers of inputs employ labour that is subject to the distortions. They may borrow money that is subject to the distortions on the financial sector/capital allocation. In addition, they are subject to the planning system that applies across all levels of government and sectors.
- (94) As a consequence, not only the domestic sales prices of the product under investigation are not appropriate for use within the meaning of Article 2(6a)(a) of the basic Regulation, but all the input costs (including raw materials, energy, land, financing, labour, etc.) are also affected because their price formation is affected by substantial government intervention, as described in Parts I and II of the Report. Indeed, the government interventions described in relation to the allocation of capital, land, labour, energy and raw materials are present throughout the PRC. This means, for instance, that an input that in itself was produced in the PRC by combining a range of factors of production is exposed to significant distortions. The same applies for the input to the input and so forth.
- (95) In sum, the evidence available showed that prices or costs of the product under investigation, including the costs of raw materials, land, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation, as shown by the actual or potential impact of one or more of the relevant elements listed therein.

#### 4.2.2. *Representative country*

##### 4.2.2.1. General remarks

- (96) The choice of the representative country was based on the following criteria pursuant to Article 2(6a) of the basic Regulation:
- A level of economic development similar to the PRC. For this purpose, the Commission used countries with a gross national income per capita similar to the PRC on the basis of the database of the World Bank <sup>(80)</sup>,
  - Production of the product under investigation in that country,
  - Existence of relevant readily available data in the representative country,
  - Where there is more than one possible representative country, preference was given, where appropriate, to the country with an adequate level of social and environmental protection.
- (97) As explained in recitals (59) and (60), the Commission issued two notes for the file on the sources for the determination of the normal value: the First Note on production factors of 23 January 2025 and the Second Note on the production factors of 10 July 2025.
- (98) These notes described the facts and evidence underlying the relevant criteria, and also addressed the comments received by the parties on these elements and on the relevant sources.
- (99) In the Second Note, the Commission informed interested parties of its intention to consider Türkiye as an appropriate representative country in the present case if the existence of significant distortions pursuant to Article 2(6a) of the basic Regulation would be confirmed.

##### 4.2.2.2. A level of economic development similar to the PRC

- (100) In the First Note, the Commission identified Brazil, Mexico, Thailand, and Türkiye as countries with a similar level of economic development as the PRC according to the World Bank, i.e. they are all classified by the World Bank as 'upper-middle income' countries on a gross national income basis where production of the product under investigation was known to take place.

<sup>(80)</sup> World Bank Open Data – Upper Middle Income, <https://data.worldbank.org/income-level/upper-middle-income>.

- (101) Following the First Note, Jushi Group and Jiangsu Changhai submitted that Türkiye would be an inappropriate third country for the construction of the normal value, due to its high inflation rate, depreciating currency, and an unstable regulatory environment.
- (102) The Commission rejected the claims based on the fact that the submitting parties did not demonstrate how the depreciation of the Turkish Lira and high inflation would actually have affected the prices of inputs sourced in Türkiye, and if so what the real impact on the normal value, that is calculated in CNY, would be.
- (103) In its comments on the First Note, Jiangsu Changhai submitted that Malaysia – a country not identified in the First Note – should be considered a representative country, as financial data was available for glass producer Xinyi Energy Smart (M) Sdn Bhd <sup>(81)</sup>. The choice of Malaysia was also upheld by the Jushi Group, given the presence in the country of another producer of the product concerned via company Nippon Electric Glass (Malaysia) Sdn Bhd.
- (104) The Commission rejected Malaysia as a possible representative country. Xinyi Energy Smart (M) Sdn Bhd. is a subsidiary of a major Chinese glass manufacturer (Xinyi Glass Holdings Ltd). The evidence provided by the Jushi Group concerned information only at the level of consolidated accounts for the Japanese group. In any event, the level of imports in Malaysia from China for the main raw materials ranged from 40 % to 79 %.
- (105) Following the Second Note, PROXIM submitted that Türkiye was not a suitable representative country, due to Şişecam Elyaf Sanayii A.Ş.'s production structure of GFR, as well as production scale. The company also submitted that imports into Türkiye from Russia and Belarus affected the market conditions of the factors of production, together with the country's high inflation, outdated labour statistics and non-transparent data on industrial utility consumption. In light of this, the company added that Thailand or Malaysia would be more suitable alternative representative countries.
- (106) The Commission highlighted that PROXIM's comments were general and unsubstantiated. In any event, the same comments on imports from Russia and Belarus (recital (116)), on inflation (recital (102)), labour statistics (recital (111)), and Thailand and Malaysia as possible representative countries (recitals (104), (116) and (119)) were already addressed by the Commission in their replies to other parties' comments. On the claim concerning non-transparent data on industrial utilities, the Commission made available to all parties the sources and methodology used to calculate utilities. Therefore, these claims were rejected.

#### 4.2.2.3. Existence of relevant readily available data in the representative country

- (107) For the countries considered and mentioned above in recital (100), the Commission further verified the readily available data, including the data on imports of factors of production as well as of financial data from the producers of the product under investigation in these potential representative countries.
- (108) Concerning the First Note, Glass Fibre Europe submitted that the Commission should have included spare parts in the list of production factors. The Commission rejected this claim, on the ground that it was general and unsubstantiated. The same claim was reiterated in reaction to the Second Note, without adding any new piece of information and was therefore rejected.
- (109) After disclosure, GFE reiterated that spare parts should have been included in the factors of production, as they are part of direct production costs and amount between 1-5 % of manufacturing costs. The Commission highlighted that spare parts were included in the manufacturing overheads in the construction of the normal value. The claim was therefore dismissed.

<sup>(81)</sup> <https://www.xinyiglass.com/en/floatglass/list.aspx>.

- (110) Following the First Note, the Jushi Group submitted that Türkiye would be an inappropriate third country due to outdated cost data for labour cost, arguing that adjusting this data using the Consumer Price Index would be inappropriate as Turkish wages have not risen in line with the inflation rate.
- (111) The company claimed erroneously that the Commission used the Consumer Index price which is not the case since it used the Labour Input Indices, which is more accurate. Furthermore, no substantial changes in hourly rate were obtained after the adjustment. Therefore, the Commission rejected these claims.
- (112) In their comments to the First Note, the Jushi Group added that the SG&A and profit data of Türkiye Şişe Ve Cam Fabrikalari A.Ş should not be deemed appropriate sources at consolidated level, because the actual producer of glass fibre products is its subsidiary, Şişecam Elyaf Sanayii A.Ş. In particular, according to Jaingsu Changhai, the SG&A and profit recalculated by the company based on 2023 and 2024 data would show that Türkiye Şişe Ve Cam Fabrikalari A.Ş was not profitable during the review investigation period.
- (113) The Commission rejected the Jushi Group's claim based on the fact that the industrial glass segment of Türkiye Şişe Ve Cam Fabrikalari A.Ş included Şişecam Elyaf and encompassed similar industrial products with comparable cost structures.
- (114) On the claim submitted by Jiangsu Changhai, the Commission highlighted that the methodology used for the calculation of profitability of Türkiye Şişe Ve Cam Fabrikalari A.Ş presented significant limitations with regard to consistency in accounting policies between 2023 and 2024, and the fact that the methodology proposed did not include year-end financial adjustments such as depreciation, provisions, and tax settings that may not be captured by mid-year reports. Hence, the Commission rejected Jiangsu Changhai's claim that Türkiye Şişe Ve Cam Fabrikalari A.Ş was not profitable during the review investigation period.
- (115) Both in the comments on the First and Second Note, the Jushi Group submitted that Thailand would be a more appropriate representative country. The company argued that there is production of the product under investigation and SG&A costs and profit data is available for two producers<sup>(82)</sup>, and there are neither imports of the FOPs from Russia and Belarus, nor export restrictions on the FOPs from Thailand. Additionally, Thailand would not require adjustments for inflation based on the consumer price index.
- (116) The Commission highlighted that Thai import statistics of glass fibre rely significantly on inputs imported from China, especially for main raw materials such as kaolin, epoxy resin, pyrophyllite and white chrysanthemum ore, ranging from 30 % up to 71 %, exposing them to cost distortions. Therefore, the Commission rejected this claim. The claim that the data from the two Thai producers was more suitable than the audited consolidated data of Şişecam was deemed unsubstantiated by the Commission. Regarding the claim on imports from Russia and Belarus, the Commission did not establish that they distorted the prices of inputs either in Thailand or in Türkiye. The claim on export restrictions was general and unsubstantiated. Therefore, the Commission rejected the claims.
- (117) Furthermore, the data for electricity and natural gas in Türkiye reflected actual figures concerning the review investigation period and did not require any adjustments. Therefore, the Commission found the claim that Thai data on utilities are more accurate than the data obtained for Türkiye to be unwarranted.
- (118) In the Second Note, the Jushi Group contested that Thailand's exposure to imports from China could not be a criterion in the selection of a representative third country, suggesting that the inputs with a high percentage of imports from China could be substituted with import data from Türkiye or other upper middle income countries.
- (119) Jushi Group added that all Thai companies, including private ones, are required to submit their audited financial statements to the Thai authorities, which makes them available online<sup>(83)</sup>. The Jushi Group argued that this, coupled with the fact that both companies cover the entirety of the product concerned and the same general category of products (biaxial fabrics, woven rovings, linter pulp and synthetic fibre mats) made Thailand a more suitable representative country compared to Türkiye.

<sup>(82)</sup> Wanda New Material (Thailand) Company Limited (Private) and Thai United Glass Fibre Company Limited (Private).

<sup>(83)</sup> DBD DataWarehouse+.

- (120) The Commission reiterated that, first, Thailand showed a higher degree of reliance of imports from China. Indeed, in Türkiye the most sourced four factors of production from China, accounting for more than 40 % of the total import volumes, represented only around 1 % of the total cost of production. On the other hand, Thailand sourced significantly more raw materials from China, accounting also for more than 40 % of the total import volumes, represented more than 20 % of the total cost of production. All the raw materials traded in high quantities from China and imported into Thailand, with the exception of light-burned magnesium powder and silane coupling agents, were imported at lower quantities or not imported at all into Türkiye.
- (121) Second, in comparing market data, China was the biggest producer and exporter of glass fibre worldwide. Türkiye <sup>(84)</sup> represented a bigger glass fibre export market compared to Thailand <sup>(85)</sup>, with a higher level of exports of the product concerned. Furthermore, the two Thai producers identified by the Jushi group had a reported annual production capacity of glass fibre much smaller than the Turkish company. Wanda New Material (Thailand) Co. Ltd and Thai United Glass Fibre Co. Ltd's annual production capacity was 20 000 tons <sup>(86)</sup> and 2 500 tons of glass fibre <sup>(87)</sup>, respectively. In contrast, in 2022, the Şişecam group reported an installed capacity of 70 000 tons of glass fibre <sup>(88)</sup>. Given Türkiye's lower dependence on China and bigger market in terms of exports, the Commission rejected the claim that Thailand would be a more representative country.
- (122) Following the Second Note, the Jushi Group submitted that Şişecam Elyaf Sanayii A.Ş., the glass fibre producer within the Türkiye Şişe Ve Cam Fabrikaları A.Ş group, was unprofitable during 2024, and argued that the Commission should use the segment data to which Şişecam Elyaf Sanayii A.Ş. belongs to, i.e. the industrial segment, for the calculation of SG&A costs and profit. Jiangsu Changhai requested the Commission to utilise the updated financial statements of 2024, which included adjustments for inflation for both 2024 and 2023. Jiangsu Changhai submitted that, in the consolidated statements of Şişe Ve Cam Fabrikaları A.Ş group, the general administrative and marketing expenses included transportation and commission costs, as well as packaging expenses, and the Commission should therefore exclude such expenses from the calculation of the normal value.
- (123) The Commission accepted the claim of the Jushi Group and revised the SG&A costs and profit calculations based on the industrial segment instead of the consolidated level. The Commission highlighted that the claim submitted by Jiangsu Changhai concerned adjustments at the level of the consolidated group, and no breakdown of general administrative and marketing expenses was available at industrial glass segment level.
- (124) In the comments on the First Note, Jiangsu Changhai highlighted that the HS code for pyrophyllite was too broad and encompassed various other products under the subheading 2530 90 unrelated to GFR production. Given the considerable price differences based on aluminium content of pyrophyllite, which the HS code did not reflect, Jiangsu Changhai proposed an alternative benchmark based on a market report <sup>(89)</sup> that differentiated between the types of pyrophyllite grades and aluminium content.
- (125) The applicant submitted that, based on the information contained in the report, the prices of low alumina pyrophyllite offered by the Indonesian company PT. Gunung Bale and Kaolin (Malaysia) Sdn would be the most suitable alternative benchmark for establishing the price of pyrophyllite in China.
- (126) The Commission accepted to revise the benchmark of pyrophyllite and used the prices of PT. Gunung Bale as benchmark, given Indonesia's lower reliance on imports of pyrophyllite from China as compared to Malaysia (less than 5 % and around 80 %, respectively).

<sup>(84)</sup> Glass Fibers in Turkey Trade | The Observatory of Economic Complexity. Available at <https://oec.world/en/profile/bilateral-product/glass-fibers/reporter/tur>.

<sup>(85)</sup> Glass Fibers in Thailand Trade | The Observatory of Economic Complexity. Available at <https://oec.world/en/profile/bilateral-product/glass-fibers/reporter/tha>.

<sup>(86)</sup> <http://wandafiber.com/about-us/>.

<sup>(87)</sup> <http://www.thaiunited.co.th/>,

<sup>(88)</sup> See data on Şişecam Chemicals, when Şişecam Elyaf San. A.Ş was grouped under the Chemical branch of the group. Available at <https://www.sisecam.com/en/investor-relations/presentations-and-bulletins/annual-reports/digital-annual-report/2022/index.html#sisecam-at-a-galance/4>.

<sup>(89)</sup> Based on data published on *Multimarket Insight - Global Pyrophyllite Professional Survey Report 2024, Forecast to 2029* and available in the open file.

- (127) Following the Second Note, the Jushi Group submitted that the Commission should have used the average price at which one of their suppliers purchased low-grade pyrophyllite from PT. Gunung Bale. Alternatively, the Commission should not add the average cost of transport to the benchmark of 0,60 CNY/kg, as the invoice submitted as evidence indicated that transport was already included in the cost.
- (128) The Commission highlighted that one unverified commercial invoice, together with a certificate of authorisation containing mistakes in the spelling of the name of the input supplier did not constitute information that could enable the Commission to arrive at a reasonably accurate finding, and verifiable information that could have enabled such finding was not submitted. Therefore, the Commission decided to disregard the information submitted by the Jushi Group and rejected the claim.
- (129) The same claim was reiterated following final disclosure, arguing that the invoice submitted covered most of the volume purchased from PT. Gunung Bale during the investigation period, and that the data to which the invoice pertained (i.e. the purchase volumes of pyrophyllite) had been verified by the Commission.
- (130) The Commission highlighted that the assessment carried out in recital (128) stood still, and that albeit the purchase volumes had been verified in the framework of the pyrophyllite consumption data, the commercial invoice submitted could not be verified by the Commission. Therefore, the claim was rejected.
- (131) In the comments on the Second Note, Jiangsu Changhai submitted that the prices from Türkiye of dolomite and calcium oxide were unrepresentative due to the low import volumes, and that prices in Türkiye of these two raw materials were not reflective of the type used in the production of GFR. In support of their claim, Jiangsu Changhai submitted two reports from Multimarket Insights <sup>(90)</sup> containing information about different grades and applications of dolomite and calcium oxide.
- (132) The Commission rejected the proposed benchmarks on dolomite and calcium oxide provided by Jiangsu Changhai, on the grounds that it did not have sufficient verifiable evidence to establish whether the benchmarks proposed were sound and reasonable and could be thus considered as a suitable alternative benchmark. Furthermore, the reports submitted by the exporting producer did not provide sufficient information about the sources used to establish the different price ranges for different types of dolomite and calcium oxide. Concerning dolomite and calcium oxide, the company submitted in their comments to the Second Note test reports that were not verifiable by the Commission, and the market reports submitted by Jiangsu Changhai did not provide any source as to how the values for different grades of dolomite and calcium oxide were calculated.
- (133) By contrast, the benchmarks from Multimarket Insights for pyrophyllite, (recitals (124)-(126)) were accepted by the Commission, as the benchmark prices are readily available as part of non-confidential case file and it could be verified during the verification visit with the exporting producers which type of pyrophyllite was used in the production process of GFR and the mineral content thereof, and that it could be ascertained that the benchmark from Türkiye did not reflect these specificities. Furthermore, the Commission also received comments from the complainant that prices of pyrophyllite contained in the report were reasonable and reflecting the reality of the different grades of pyrophyllite used in the production of GFR.
- (134) Following final disclosure, Jiangsu Changhai reiterated that the Turkish import benchmarks for dolomite and calcium oxide were unsuitable due to the low import volumes of these raw materials into Türkiye, especially vis-à-vis the company's consumption of each of these two raw materials. In this respect, Jiangsu Changhai invited the Commission to review the Union industry data for these two raw materials and compare their costs against the Turkish benchmark. In the alternative, the Commission should treat these two raw materials as consumables.
- (135) The Commission found Jiangsu Changhai's argument to be unsubstantiated and unwarranted. Firstly, the Jiangsu Changhai has failed to establish any correlation between import quantities and pricing in the sense that the volume of those imports would made per se the prices unfit for the purpose of finding an undistorted price. Secondly, the suggestion that lower import quantities necessarily result in atypical pricing ignores the economic realities of how prices are established. Exporting producers set prices based on a plethora of factors, rather than relying on the overall import volumes of any single country. Therefore, even if import quantities are low, this does not inherently mean that prices are skewed or unrepresentative, or that they are not market prices. Moreover, Jiangsu Changhai's comment misrepresents the Commission's previous practice which in any case is

<sup>(90)</sup> <https://multimarketinsight.com/>.

not binding as each case is assessed on its own merits. Its reference to one previous investigation <sup>(91)</sup> is incomplete and selective as it omits to mention that in that investigation the Commission discarded the use of certain benchmarks based on other considerations than quantity alone such as customs nomenclature not allowing to identify imports that would reflect the prices of the actual input used by exporting producers. No such claim was made by Jiangsu Changhai in this review, nor did they claim that the Turkish import benchmarks for dolomite and calcium oxide were not representative for any other reason. Therefore, these claims were rejected.

- (136) In the comments on the First Note, Jiangsu Changhai submitted that all raw materials, except of pyrophyllite, should have been categorised as consumables given their low impact on the cost of manufacturing.
- (137) The Commission rejected the claim, based on the fact that the remaining raw materials cumulatively accounted for [20-30] % of cost of manufacturing, and that benchmarks for those raw materials were available.
- (138) Following the Second Note, Jiangsu Changhai submitted that calcium oxide, dolomite, and packing materials should be treated as consumables due to their low impact on the cost of production, arguing that in previous investigations <sup>(92)</sup>, the Commission classified materials, including packing materials, under consumables when their aggregate cost accounted for around 4–7 % of the cost of manufacturing.
- (139) The Commission highlighted that calcium oxide and dolomite together constitute already more than 4 % of the cost of manufacturing, and the packaging materials alone almost 7 % of the cost of production. In the previous investigations the factors of production that were grouped under consumables had a negligible weight in the total cost of production, and it was not possible to find accurate benchmarks for those, contrary to this investigation. Given the impact of the factors of production highlighted by Jiangsu Changhai, and the fact that benchmarks for those factors of production could be used to establish the normal value, the Commission rejected their claims.
- (140) Following final disclosure, Jiangsu Changhai reiterated that some raw materials should have been grouped under consumables, proposing that, for the raw materials sourced internationally or via related suppliers included under consumables, the Commission include also those sourced domestically. The company also added that all packing materials be grouped under consumables.
- (141) The Commission reiterated its stance that the packaging materials alone are almost 7 % of the cost of production, without considering the materials that have already been included under consumables. Given the existence of reasonable benchmarks for these factors of production, the claim was rejected.
- (142) Jiangsu Changhai added that, since the calculation of the normal value incorporates the cost of packaging, to ensure a fair comparison in accordance with Article 2(10) of the basic Regulation, the Commission should have not deducted the allowances for packaging from the export price.
- (143) The Commission accepted this claim and revised the calculation of the margin for Jiangsu Changhai.
- (144) Following disclosure, the Jushi Group highlighted some clerical errors in the calculation of freight and handling, loading and ancillary expenses at the premises in exporting country in the aggregate dumping margin calculation.
- (145) The Commission accepted the claim and revised the Jushi Group's dumping margin calculations accordingly.

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<sup>(91)</sup> Commission Implementing Regulation (EU) 2024/2163 of 14 August 2024 imposing a provisional anti-dumping duty on imports of biodiesel originating in the People's Republic of China (OJ L, 2024/2163, 16.8.2024, ELI: [http://data.europa.eu/eli/reg\\_impl/2024/2163/oj](http://data.europa.eu/eli/reg_impl/2024/2163/oj)).

<sup>(92)</sup> Commission Implementing Regulation (EU) 2024/2673 of 11 October 2024 imposing a provisional anti-dumping duty on imports of glass fibre yarns originating in the People's Republic of China recital (106); Commission Implementing Regulation (EU) 2021/2011 of 17 November 2021 imposing a definitive anti-dumping duty on imports of optical fibre cables originating in the People's Republic of China, recital (338); Commission Implementing Regulation (EU) 2025/291 of 13 February 2025 imposing a provisional anti-dumping duty on imports of decor paper originating in the People's Republic of China, recital (162).

- (146) Following the Second Note, the Jushi Group submitted several comments on specific factors of production and alternative benchmarks that could be used. First, the company submitted that the Commission should have extracted the import data of limestone powder at 6-digit level from the UN COMTRADE database, instead of 4-digit, requesting the Commission to use the unit price calculated by the company of 2,01 CNY/kg instead of 2,5 CNY/kg.
- (147) The Commission highlighted that the extraction provided by the company from the UN COMTRADE database included data covering August 2024, a period outside of the review investigation period, and excluded any data for August 2023. The extraction at 6-digit level covering the review investigation period confirmed that the correct benchmark is 2,5 CNY/kg.
- (148) Second, the company submitted that some specific codes from Global Trade Atlas (GTA) for kaolin should be used for different entities, to reflect the different companies' specific production processes, which involved different types of kaolin, either in its powdered form or in its ore form.
- (149) The Commission accepted this claim and revised the calculations for the Jushi group accordingly.
- (150) Thirdly, the Jushi Group submitted that the Commission should have used GTA code 251990300019-Other Completely Burnt (Sintered) Magnesia, as it was the only relevant code for their production process.
- (151) The Commission highlighted that the Jushi Group's request was general and unsubstantiated, as it did not provide any specific information about what other types of burnt magnesia were included in the GTA code, and how this code was more relevant in their production process vis-à-vis other codes. Therefore, the Commission rejected this claim.
- (152) Fourthly, for wollastonite powder, the Jushi Group submitted that import data based on the HS code 2530 90 was too broad and proposed to use pyrophyllite powder as a benchmark and increase it by reflecting the cost differential that Jushi incurs for the wollastonite powder in comparison to the pyrophyllite. The Jushi group added that the same methodology could be applied to other factors of production grouped under HS code 2530 90.
- (153) The Commission highlighted that this methodology lacked any factual ground on the reasons why the Commission should use pyrophyllite as a benchmark for wollastonite and other raw materials, and why this would be the most accurate methodology. Hence, the Commission rejected this claim.
- (154) Lastly, the Jushi Group requested the Commission not to include waste fibre under consumables, on the grounds that this factor of production was reported in their cost of manufacturing tables with an available benchmark, and that the company also provided information about their resale value.
- (155) The claim was rejected on the grounds that waste fibre had a negligible impact on the cost of production. In addition, when compared to the company's average value for by-products, the GTA codes suggested by the Jushi Group as benchmark could not reasonably reflect the type of fibres generated by the Jushi Group's production process.
- (156) Following disclosure, the Jushi Group submitted comments covering light-burned magnesium, wollastonite, waste fibre and limestone powder.
- (157) Concerning recitals (150) and (151), following final disclosure, the Jushi Group reiterated those claims, providing additional evidence that HS code 2519 90 30 was the one used in their production process. The Commission used the weighted average price of the benchmarks of the GTA codes at 8-digit level ending in '30'.
- (158) With regards to wollastonite (recitals (152) and (153)), the Jushi Group reiterated that the import price was not accurate enough to reflect the differences in prices between not only between wollastonite powder and pyrophyllite powder, but also concerning spodumene powder and lepidolite powder. The Jushi Group proposed to calculate the benchmarks for the three powders based on the group's price differences between wollastonite, spodumene, and lepidolite powder against the pyrophyllite benchmark. In the alternative, the Jushi Group submitted that the Commission should use GTA codes 2530 90 40 for spodumene and lepidolite, and code 2530 90 50 for wollastonite, based on Turkish imports of wollastonite from the US <sup>(93)</sup>.

<sup>(93)</sup> <https://www.volza.com/p/wollastonite/import/import-in-turkey/>.

- (159) The Commission highlighted that it could not accept a calculation based on the company's own costing data, as, in accordance with Article 2(6a)(b) of the basic Regulation, it was established in recital (95) it is not appropriate to use domestic costs in the PRC due to the existence of significant distortions. The Commission accepted the claim and extrapolated the prices for spodumene, lepidolite, and wollastonite at 8-digit level from GTA.
- (160) On waste fiber, the Jushi Group submitted that waste and scrap fibre appeared to be imported into Türkiye under the HS code 7019 62 10 <sup>(94)</sup> (instead of HS code 7019 90), and the Commission should use the average import prices from Türkiye to establish a waste fibre benchmark. In the alternative, the Commission should use the EU import or export price. If the Commission does not apply a benchmark to waste fibre, the raw materials representing an even lower cost of production should also be grouped under consumables.
- (161) At the outset, the Commission highlighted that, in the consumption tables, for two of its entities, the Jushi Group had submitted that the applicable waste fibre HS code was 7019 90, and for one entity no HS code was reported at all, highlighting the difficulty of finding an applicable code for this specific factor of production. Second, the Commission looked into code 7019 62 10 and noticed that Türkiye only imported either HS code 7019 62 (Other Mechanically Bonded Closed Fabrics Made Of Glass Rovings) <sup>(95)</sup> or HS code 7019 62 90 (Other Mechanically Bonded Closed Fabrics Made Of Glass Rovings), and no information was available for HS code 7019 62 10. Third, even when looking at data from the other possible representative countries identified in the First Note and Second Note, import volumes from China constituted 90 % or more of total imports of this factor of production for most countries. Overall, for both HS code 7019 90 (recital (155)) and for code 7019 62 it was not possible to establish what would fall under these codes, and for code 7019 62 10 it was not possible to find a benchmark for it. Therefore, the Commission rejected this claim.
- (162) Following disclosure, the Jushi Group argued that the import prices from Türkiye of limestone powder and calcium oxide/calcinated limestone powder seemed unreasonably high due to the low import volumes, submitting that the Commission should revise the benchmarks (a) taking Türkiye's export price and mark it up for appropriate import duties; or (b) use the average GTA international import price; (c) use the import price into Brazil; or (d) use the EU import prices (or export prices).
- (163) Concerning calcium oxide and limestone powder, the Commission already addressed a similar comment on the correlation between import quantities and prices in recital (135).
- (164) After disclosure, GFE submitted that using a weighted average price of a mix of kaolin ore and ground kaolin is inappropriate, as such a mixture does not exist in actual batch formulations. At the same time, kaolin ore cannot be used directly in GFR production, as it needs to go through intermediary steps such as grinding and milling. GFE argued that the Commission should only use the ground kaolin customs code (2507 00 20 00 12) as raw material for the construction of the normal value. The Commission clarified that it used the corresponding cost of either kaolin ore or kaolin powder depending on the companies' specific production processes. The costs of processing kaolin ore into kaolin powder were accounted in the energy and labour cost through a carry-over exercise. The claim was therefore rejected.

#### 4.2.2.4. Level of social and environmental protection

- (165) Having established that Türkiye was the only available appropriate representative country, based on all of the above elements, there was no need to carry out an assessment of the level of social and environmental protection in accordance with the last sentence of Article 2(6a)(a) first indent of the basic Regulation.

#### 4.2.2.5. Conclusion

- (166) In view of the above analysis, Türkiye met the criteria laid down in Article 2(6a)(a), first indent of the basic Regulation in order to be considered as an appropriate representative country.

<sup>(94)</sup> Defined as 'Waste and scrap of closed fabrics of rovings of glass fibres, mechanically bonded (excl. woven)', see <https://www.tariffnumber.com/2025/70196210>.

<sup>(95)</sup> According to the European Customs Portal, this is defined as 'Closed fabrics of rovings of glass fibres, mechanically bonded (excl. woven)'; see <https://www.tariffnumber.com/2025/701962>.

#### 4.3. Sources used to establish undistorted costs

- (167) In the First Note, the Commission listed the factors of production such as materials, energy and labour used in the production of the product under investigation by the exporting producers and invited the interested parties to comment and propose publicly available information on undistorted values for each of the factors of production mentioned in that note.
- (168) Subsequently, in the Second Note, the Commission stated that, in order to construct the normal value in accordance with Article 2(6a)(a) of the basic Regulation, it would use GTA to establish the undistorted cost of most of the factors of production, notably the raw materials. For pyrophyllite, as covered in recital (126), the Commission used the prices of the Indonesian company Pt. Gunung Bale <sup>(96)</sup>. In addition, the Commission used Turkstat and Eurostat for establishing undistorted costs of labour <sup>(97)</sup>, energy <sup>(98)</sup> and natural gas <sup>(99)</sup>. For water, the Commission used the data published by the Investment and Finance Office of the Presidency of the Republic of Türkiye <sup>(100)</sup>.
- (169) In the Second Note, the Commission also informed the interested parties that due to the large number of factors of production of the sampled exporting producers that provided complete information and the negligible weight of some of the raw materials in the total cost of production, these negligible items were grouped under 'consumables'. Further, the Commission informed that it would calculate the percentage of the consumables on the total cost of raw materials and apply this percentage to the recalculated cost of raw materials when using the established undistorted benchmarks in the appropriate representative country.

##### 4.3.1. Factors of production

- (170) Considering all the information submitted by the interested parties and collected during the verification visits, the following factors of production and their sources have been identified in order to determine the normal value in accordance with Article 2(6a)(a) of the basic Regulation:

Table 1

#### Factors of production of GFR

| Factor of Production       | Commodity Code/available code         | Unit cost CNY/unit | Source of data               | Unit of measurement |
|----------------------------|---------------------------------------|--------------------|------------------------------|---------------------|
| <b>Raw materials</b>       |                                       |                    |                              |                     |
| Calcinated kaolin powder   | 2507 00 20 00 11,<br>2507 00 80 00 12 | 1,39               | GTA                          | KG                  |
| Kaolin ore                 | 2507 00 10 00 00                      | 1,33               | GTA                          | KG                  |
| Limestone powder           | 2521 00                               | 2,50               | UN Comtrade <sup>(101)</sup> | KG                  |
| Borocalcite                | 2528                                  | 234,09             | GTA                          | KG                  |
| Primary forms polysiloxane | 3910 00 00                            | 35,51              | GTA                          | KG                  |
| White chrysanthemum ore    | 2505 10                               | 0,41               | GTA                          | KG                  |
| Dolomite                   | 2518 10 00, 2518 10 00                | 2,89               | GTA                          | KG                  |

<sup>(96)</sup> Published in the Multimarket Insights and available on the open file.

<sup>(97)</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Structure-of-Earnings-Statistics-2023-53700>.

<sup>(98)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(99)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(100)</sup> <https://www.invest.gov.tr/en/investmentguide/pages/cost-of-doing-business.aspx>.

<sup>(101)</sup> comtrade.un.org.

| Factor of Production                                          | Commodity Code/available code | Unit cost CNY/unit | Source of data       | Unit of measurement |
|---------------------------------------------------------------|-------------------------------|--------------------|----------------------|---------------------|
| Light burned magnesium                                        | 2519 90 30                    | 4,84               | GTA                  | KG                  |
| Gypsum                                                        | 2520 10                       | 0,18               | GTA                  | KG                  |
| Calcium oxide                                                 | 2522 10                       | 2,93               | GTA                  | KG                  |
| Natural Steatite (Soapstone), Talc; Not Crushed, Not Powdered | 2526 10                       | 1,51               | GTA                  | KG                  |
| Natural Steatite (Soapstone) And Talc; Crushed/Powdered       | 2526 20                       | 3,31               | GTA                  | KG                  |
| Pyrophyllite powder                                           | 2530 90                       | 0,66               | Multimarket Insights | KG                  |
| Spodumene                                                     | 2530 90 40                    | 33,70              | GTA                  | KG                  |
| Lepidolite                                                    | 2530 90 40                    | 33,70              | GTA                  | KG                  |
| Wollastonite                                                  | 2530 90 50                    | 3,07               | GTA                  | KG                  |
| Zirconite                                                     | 2615 10                       | 14,32              | GTA                  | KG                  |
| Aluminium oxide                                               | 2818 20                       | 9,67               | GTA                  | KG                  |
| Soda ash                                                      | 2836 20                       | 2,43               | GTA                  | KG                  |
| Propylene glycol methyl ether                                 | 2909 49 11, 2909 49 80        | 13,49              | GTA                  | KG                  |
| Acetone                                                       | 2914 11                       | 7,63               | GTA                  | KG                  |
| Solvent                                                       | 2915 39                       | 15,53              | GTA                  | KG                  |
| Maleic anhydride                                              | 2917 14                       | 7,61               | GTA                  | KG                  |
| Binder                                                        | 2929 10                       | 16,17              | GTA                  | KG                  |
| Coupling Agents                                               | 2931 90                       | 61,34              | GTA                  | KG                  |
| Surfactant                                                    | 3402 39 10, 3402 39 90        | 11,79              | GTA                  | KG                  |
| Lubricants                                                    | 3402 41                       | 13,84              | GTA                  | KG                  |
| Emulsifier                                                    | 3402 42                       | 14,52              | GTA                  | KG                  |
| Surfactant                                                    | 3402 90 10, 3402 90 90        | 17,65              | GTA                  | KG                  |
| Lubricant                                                     | 3403 91                       | 20,78              | GTA                  | KG                  |
| Lubricant                                                     | 3403 99                       | 42,66              | GTA                  | KG                  |
| Other labels are not listed in the plastic, adhesive          | 3506 99 00                    | 36,65              | GTA                  | KG                  |
| Other products and preparations for the textile industry      | 3809 91 00                    | 26,13              | GTA                  | KG                  |
| Coupling agent                                                | 3824 99                       | 23,69              | GTA                  | KG                  |

| Factor of Production     | Commodity Code/available code                                                      | Unit cost CNY/unit | Source of data | Unit of measurement |
|--------------------------|------------------------------------------------------------------------------------|--------------------|----------------|---------------------|
| Binder                   | 3901 90 30, 3901 90 80                                                             | 24,50              | GTA            | KG                  |
| Film Forming Agent       | 3902 10 00                                                                         | 11,93              | GTA            | KG                  |
| Polyisobutylene          | 3902 30 00                                                                         | 10,58              | GTA            | KG                  |
| Film Forming Agent       | 3905 12                                                                            | 11,02              | GTA            | KG                  |
| Emulsion                 | 3905 21                                                                            | 11,90              | GTA            | KG                  |
| Polyol                   | 3907 29 11,<br>3907 29 20,<br>3907 29 91, 3907 29 99                               | 12,84              | GTA            | KG                  |
| Epoxy resin              | 3907 30                                                                            | 24,47              | GTA            | KG                  |
| Powder binder            | 3907 91 10, 3907 91 90                                                             | 28,23              | GTA            | KG                  |
| Film Forming Agent       | 3909 50 10, 3909 50 90                                                             | 27,90              | GTA            | KG                  |
| Silane coupling agent    | 3910                                                                               | 35,51              | GTA            | KG                  |
| PE winding film          | 3920 10                                                                            | 23,22              | GTA            | KG                  |
| PP tape                  | 3920 20 21,<br>3920 20 29, 3920 20 80                                              | 19,78              | GTA            | KG                  |
| PVC thermoplastic bag    | 3920 43 10, 3920 43 90                                                             | 42,48              | GTA            | KG                  |
| EPE foam                 | 3921 19 00                                                                         | 50,59              | GTA            | KG                  |
| PE Ton bag               | 3923 29 10, 3923 29 90                                                             | 60,39              | GTA            | KG                  |
| PE Inner Bags            | 4202 92 11,<br>4202 92 15,<br>4202 92 19,<br>4202 92 91, 4202 92 98                | 180,92             | GTA            | KG                  |
| Plywood                  | 4412 33 10,<br>4412 33 20,<br>4412 33 30, 4412 33 90                               | 11,26              | GTA            | KG                  |
| Plywood                  | 4412 39                                                                            | 7,45               | GTA            | KG                  |
| Wooden Pallet            | 4415 20 90                                                                         | 6,30               | GTA            | KG                  |
| Fir Square               | 4421 99                                                                            | 28,90              | GTA            | KG                  |
| Carton                   | 4707 10                                                                            | 1,16               | GTA            | KG                  |
| Processing base paper    | 4804 11 11,<br>4804 11 15,<br>4804 11 19,<br>4804 11 90,<br>4804 11 90, 4804 11 90 | 3,91               | GTA            | KG                  |
| Corrugated cardboard     | 4808 10                                                                            | 6,44               | GTA            | KG                  |
| Paper Tube               | 4811 90 00                                                                         | 19,24              | GTA            | KG                  |
| Corrugated cardboard box | 4819 10                                                                            | 16,13              | GTA            | KG                  |
| Paper tube               | 4822 90                                                                            | 17,13              | GTA            | KG                  |

| Factor of Production                  | Commodity Code/available code | Unit cost CNY/unit | Source of data                     | Unit of measurement |
|---------------------------------------|-------------------------------|--------------------|------------------------------------|---------------------|
| PP Bag                                | 6305 33 10, 6305 33 90        | 19,96              | GTA                                | KG                  |
| Waste fiber                           | 7019 90                       | 124,52             | GTA                                | KG                  |
| Platinum, unwrought or in powder form | 7110 11                       | 202 516,14         | GTA                                | Gr                  |
| Rhodium, unwrought or in powder form  | 7110 31                       | 386 751,55         | GTA                                | Gr                  |
| <b>Consumables</b>                    |                               |                    |                                    |                     |
| Compressed air                        | [N/A]                         | [N/A]              | [N/A]                              | m <sup>3</sup>      |
| Oxygen                                | [N/A]                         | [N/A]              | [N/A]                              | Ton                 |
| Steam                                 | [N/A]                         | [N/A]              | [N/A]                              | m <sup>3</sup>      |
| <b>Labour</b>                         |                               |                    |                                    |                     |
| Labour                                | [N/A]                         | 40,91              | Turkstat <sup>(102)</sup>          | Hour/manhour        |
| <b>Energy</b>                         |                               |                    |                                    |                     |
| Electricity                           | [N/A]                         | 0,68               | Eurostat <sup>(103)</sup>          | Kwh                 |
| Natural gas                           | [N/A]                         | 2,67               | Eurostat <sup>(104)</sup>          | m <sup>3</sup>      |
| Water                                 | [N/A]                         | 2,46               | Invest in Türkiye <sup>(105)</sup> | m <sup>3</sup>      |

- (171) The Commission included a value for manufacturing overhead costs in order to cover costs not included in the factors of production referred to above. To establish this amount, the Commission relied on data from the sampled exporting producers.

#### 4.3.2. Raw materials

- (172) In order to establish the undistorted price of raw materials as delivered at the gate of a representative country producer, the Commission used as a basis the weighted average import price to the representative country as reported in the GTA. An import price in the representative country was determined as a weighted average of unit prices of imports from all third countries excluding the PRC and countries which are not members of the WTO, listed in Annex 1 of Regulation (EU) 2015/755 of the European Parliament and the Council <sup>(106)</sup>. The Commission decided to exclude imports from the PRC into the representative country as it concluded that it is not appropriate to use domestic prices and costs in the PRC due to the existence of significant distortions in accordance with Article 2(6a)(b) of the basic Regulation. Given that there is no evidence showing that the same distortions do not equally affect products intended for export, the Commission considered that the same distortions affected export prices.

<sup>(102)</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Structure-of-Earnings-Statistics-2023-53700>.

<sup>(103)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(104)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(105)</sup> <https://www.invest.gov.tr/en/investmentguide/pages/cost-of-doing-business.aspx>.

<sup>(106)</sup> Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries (OJ L 123, 19.5.2015, p. 33, ELI: <http://data.europa.eu/eli/reg/2015/755/oj>). Article 2(7) of the basic Regulation considers that domestic prices in those countries cannot be used for the purpose of determining normal value.

- (173) For pyrophyllite, as explained in recital (124), Jiangsu Changhai submitted that the HS code for pyrophyllite was too broad and did not reflect the difference based on the aluminium content. The company thus submitted a market report providing data about pyrophyllite, based on application, region, and also providing prices for specific companies and specific types of pyrophyllite. The applicant submitted that the prices of low-alumina pyrophyllite – i.e. the type used in the production process of GFR – from Indonesian company PT. Gunung Bale and Kaolin (Malaysia) Sdn would be the most suitable alternative benchmark. The Commission accepted this claim and used the prices of pyrophyllite supplier PT. Gunung Bale, due to Indonesia's lower reliance of imports of pyrophyllite from China.
- (174) Following disclosure, GFE submitted that, although the costs of rhodium and platinum were reflected in the depreciation, these costs are incomplete, as the precious metals can be held as assets or leased, proposing different calculation methodologies based on whether the bushings containing platinum and rhodium were owned or leased. The Commission highlighted that the platinum/rhodium consumption and the leakage plate were factored in the construction of the normal value under manufacturing overheads.
- (175) Following final disclosure, GFE added that based on the findings of recital (42), i.e. that the Chinese industry increased their capacities from 1,5 million tonnes in 2016 to 4,1 million tonnes in the review investigation period, the Commission should have constructed the normal value taking into account the greenfield GFR plant costs and the resulting annual depreciation costs. The Commission clarified that these costs were already captured in the depreciation costs. The claim is dismissed as moot.
- (176) For a number of factors of production the actual costs incurred by the cooperating exporting producers represented a negligible share of total raw material costs in the review investigation period. As the value used for these had no appreciable impact on the dumping margin calculations, regardless of the source used, the Commission decided to include those costs into consumables. This was the case for compressed air, oxygen, and steam.
- (177) The Commission expressed the transport cost incurred by the cooperating exporting producers for the supply of raw materials as a percentage of the actual cost of such raw materials and then applied the same percentage to the undistorted cost of the same raw materials in order to obtain the undistorted transport cost. The Commission considered that, in the context of this investigation, the ratio between the exporting producer's raw material and the reported transport costs could be reasonably used as an indication to estimate the undistorted transport costs of raw materials when delivered to the company's factory.
- (178) Following disclosure, the Jushi Group argued that the Commission should have only added the actual reported transport costs to the undistorted raw material costs, and not applied a ratio, as in the case for glass fibre fabrics <sup>(107)</sup>.
- (179) The Commission highlighted that the methodology used reflects the costs structure of the exporting producer, since the ratio between transport cost and the cost of raw material is maintained and is further applied to the undistorted benchmark. The Commission highlighted that it could not accept a calculation based on the company's own costing data, as, in accordance with Article 2(6a)(b) of the basic Regulation, it was established in recital (95) it is not appropriate to use domestic costs in the PRC due to the existence of significant distortions. Moreover, the example referenced by the Jushi Group did not necessarily imply that what was used was the actual cost, as the 'domestic transport costs for all raw materials were **estimated** based on the verified data provided by the cooperating exporting producers'. In any event, the Jushi Group failed to demonstrate why the approach used by the Commission should have been unreasonable. Therefore, this claim was deemed unwarranted.

#### 4.3.3. Labour

- (180) TurkStat, Structure of Earnings Statistics, 2023 <sup>(108)</sup> publishes detailed information on wages in different economic sectors in Türkiye. The Commission used the latest available statistics covering 2023, for the economic activity according to NACE Rev.2 classification. The monthly value reported for the end of 2023 was duly adjusted for inflation using the Hourly labour cost index adjustment as published by the TurkStat, *Labour cost indices, 2009-2024 [2021=100]* <sup>(109)</sup>.

<sup>(107)</sup> Commission Implementing Regulation (EU) 2020/492 of 1 April 2020 imposing definitive anti-dumping duties on imports of certain woven and/or stitched glass fibre fabrics originating in the People's Republic of China and Egypt, recital (245).

<sup>(108)</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Structure-of-Earnings-Statistics-2023-53700>.

<sup>(109)</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Labour-Input-Indices-Quarter-I-January-March,-2024-53682&dil=2>.

#### 4.3.4. Electricity

- (181) The price of electricity for companies (industrial users) in Türkiye is published by Eurostat: Electricity prices for non-household consumers – bi-annual data (from 2007 onwards) (nrg\_pc\_205) <sup>(110)</sup> in its regular press releases. The Commission used the data on the industrial electricity prices in the corresponding consumption band in kWh covering the review investigation period.
- (182) Following disclosure, Jiangsu Changhai submitted that the Commission should have used the electricity's consumption band that would reflect the company's electricity use. Similarly, for natural gas, the company submitted that, based on their usage, the Commission should apply the specific consumption band based on usage, rather than the average of all consumption bands.
- (183) The Commission accepted these claims and carried out adjustments to the electricity and natural gas benchmark reflecting actual consumption profiles of the sampled Chinese exporting producers.

#### 4.3.5. Natural gas

- (184) The price of natural gas for industrial users in Türkiye is published by Eurostat - Gas prices for non-household consumers – bi-annual data <sup>(111)</sup>. The Commission used the data of the industrial gas prices in the corresponding consumption band in kWh covering the investigation period.

#### 4.3.6. Water

- (185) The cost of water for industrial use is published by the Investment and Finance Office of the Presidency of the Republic of Türkiye <sup>(112)</sup>. The Commission used an average industry price in Istanbul region related to the Organized Industrial Zones (OIZs): Eskişehir OIZ; Balıkesir OIZ; Ankara Başkent OIZ and İzmir Aliğa OIZ.

#### 4.3.7. Manufacturing overhead costs, SG&A, profits

- (186) According to Article 2(6a)(a) of the basic Regulation, *'the constructed normal value shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'*. In addition, a value for manufacturing overhead costs needs to be established to cover costs not included in the factors of production referred to above.
- (187) The manufacturing overheads incurred by the cooperating exporting producers were expressed as a share of the costs of manufacturing actually incurred by the exporting producers. This percentage was applied to the undistorted costs of manufacturing.
- (188) For establishing an undistorted and reasonable amount for SG&A costs and profit, the Commission relied on the financial data for 2023 for Şişe Ve Cam Fabrikaları A.Ş as extracted from the company annual reports <sup>(113)</sup>.

#### 4.3.8. Calculation

- (189) On the basis of the above, the Commission constructed the normal value per product type on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.
- (190) First, the Commission established the undistorted manufacturing costs. The Commission applied the undistorted unit costs to the actual consumption of the individual factors of production of the sampled exporting producers. These consumption rates were verified during the verification. The Commission multiplied the usage factors by the undistorted costs per unit observed in the representative country.

<sup>(110)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(111)</sup> [https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg\\_price.nrg\\_pc&display=list&sort=category&extractionId=nrg\\_pc\\_205](https://ec.europa.eu/eurostat/databrowser/explore/all/envir?lang=en&subtheme=nrg.nrg_price.nrg_pc&display=list&sort=category&extractionId=nrg_pc_205).

<sup>(112)</sup> <https://www.invest.gov.tr/en/investmentguide/pages/cost-of-doing-business.aspx>.

<sup>(113)</sup> <https://www.sisecam.com/en/investor-relations/annual-reports>.

- (191) Once the undistorted manufacturing cost were established, the Commission applied the manufacturing overheads, SG&A costs, and profit as noted in recitals (186) to (188). They were determined on the basis of the financial statements of Şişe Ve Cam Fabrikalari A.Ş. as explained in recital (188).
- (192) Then the Commission added manufacturing overheads, as explained in recitals (186) and (187) to the undistorted cost of manufacturing in order to arrive at the undistorted costs of production.
- (193) To the costs of production established as described in the previous recital, the Commission applied SG&A costs and profit of Şişe Ve Cam Fabrikalari A.Ş. SG&A costs expressed as a percentage of the Costs of Goods Sold ('COGS') and applied to the undistorted costs of production, amounted to 22,7 %. The profit expressed as a percentage of the COGS and applied to the undistorted costs of production, amounted to 8,8 %.
- (194) On that basis, the Commission constructed the normal value per product type on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.
- (195) Following final disclosure, GFE submitted that the use of Şişecam's industrial glass business data for the determination of reasonable amounts for of SG&A costs and for profit was not warranted, since (a) the Commission should have excluded other operating income and financial income from Şişecam's glass business; (b) the SG&A costs did not reflect the economic reality of GFR producers; (c) a the profit found of 8,8 % was insufficient for capital-intensive industries like GFR and thus unreasonable, arguing that the Commission should use the SG&A costs and profit of the entire group.
- (196) Following final disclosure, Jiangsu Changhai argued that the industrial glass segment of Şişe Ve Cam Fabrikalari A.Ş. was actually unprofitable in 2023, as the Earnings Before Interest, Taxes and Depreciation is only the result of income and profit made from investment activities, purchase of tangible and intangible assets and right of use assets, not the main operating activities. Jiangsu Changhai requested to use the 2023 inflation-adjusted data contained in the 2024 annual reports of Şişe Ve Cam Fabrikalari A.Ş., and to deduct transportation, commissions and packaging expenses. In the alternative, should the Commission still use the segment-specific data, a proportional share of the consolidated-level SG&A expenses should be allocated to the industrial segment.
- (197) Concerning the establishment of reasonable amounts for SG&A costs, the Commission accepted Jiangsu Changhai's claim to exclude the transportation costs, packaging expenses and commission expenses of the whole group and allocate them using turnover as an allocation key. The Commission revised its calculation of the profit for the industrial segment and confirmed that the recalculated profit, before tax for the industrial segment was negative in 2023.
- (198) The consolidated financial statements of the Şişecam group provided the profit of Şişecam Elyaf and the SG&A costs of the industrial glass segment. In respect of Şişecam Elyaf, the company that produces glass fiber, the publicly available financial statements for 2023 provided the net sales and the profit but did not include the information about the cost of goods sold ('COGS') nor the SG&A. The COGS were available at the level of the industrial glass segment of the Şişecam group. Hence, to calculate the percentage of profit of Şişecam Elyaf, the Commission allocated the COGS of the industrial segment, to which Şişecam Elyaf belongs to, using turnover as an allocation key.
- (199) In the light of the above, the Commission concluded that it would be appropriate to establish the reasonable amount for SGA costs based on recalculated SG&A costs for the industrial segment using the 2023 inflation-adjusted data included in the latest annual statement of the Turkish group. The Commission allocated the net financial expenses of the Şişecam group to the segment using turnover as allocation key, and obtained SG&A costs expressed as a percentage of the COGS of 11,24 %.
- (200) To calculate the profit expressed as a percentage of the COGS, the Commission divided the profit of Şişecam Elyaf by the COGS of the industrial segment allocated to Şişecam Elyaf using turnover as allocation key, as explained in recital (198). This amounted to 21,58 %.
- (201) Following the additional final disclosure, GFE submitted that the Commission should not have accepted Jiangsu Changhai's claim on transportation costs, packaging expenses and commission and, in any event, it should not have applied the adjustment to all exporting producers. Similarly, any other claims with regard to exporters other than the specific one making a particular claim should have not been applied to all sampled exporting producers.

- (202) The Commission highlighted that the findings on SG&A costs and profit from the representative company concern the 'reasonable amounts' to be used in the construction of the normal value under Article 2(6a) of the basic Regulation and apply to all sampled exporting producers. The Commission cannot apply different SG&A costs solely to the company that submitted a claim on SG&A costs adjustments. Therefore, the Commission rejected these claims.
- (203) Following the additional final disclosure, GFE also submitted that there was no evidence that the entirety of the transportation costs apply only to outbound transactions, and that, assuming they related to both inbound and outbound transactions costs, the Commission's adjustment was excessive, as some of the sampled Chinese exporting producers reported much lower transportation costs in their annual reports and the Commission should thus have adjusted these costs accordingly. Lastly, GFE argued that the industrial segment in Şişecam's financial statements is comprised of products in several different industries, and reasoned that transportation and packaging costs for the automotive industry must be higher than for the GFR industry.
- (204) The Commission rejected these claims because the normal value had to be established at ex-works level, so these costs had to be deducted in order to establish reasonable amounts for SG&A and profit in the representative country. Moreover, the fact that transportation and packaging costs for the automotive industry might be higher than for the GFR industry has no bearing in this case, as the transportation and packaging costs were taken for the whole group and applied proportionally based on the turnover of the industrial segment, and no breakdown was available for transportation costs specific to the industrial glass segment.
- (205) Following the additional final disclosure, Jiangsu Changhai contested the calculation of the profit of Şişecam Elyaf, arguing that the SG&A costs rate applied does not reflect the cost structure that generated the reported profit, proposing to recalculate Şişecam Elyaf's profit by incorporating the SG&A costs ratio over COGS or by determining a combined figure for SG&A costs and profit based on Şişecam Elyaf's turnover minus the recalculated COGS.
- (206) The Commission highlighted that the approach followed for the calculation of profit was focused on Şişecam Elyaf as standalone company, thus reflecting more closely the profit of GFR-producers in Türkiye. Moreover, the allocation of COGS over the GFR producer's profit followed the same exact logic and allocation that Jiangsu Changhai had proposed for the calculation of commissions, packing expenses and transportation costs, transferred from the overall group to the industrial segment. The same methodology has also already been previously applied, by using the same group, industrial segment and GFR producer, over the same year (i.e. 2023), for the calculation of SG&A costs and profit of one of GFR's downstream products <sup>(114)</sup>. Therefore, the Commission rejected this claim.

#### 4.4. Export price

- (207) The sampled exporting producers exported to the Union either directly to independent customers or through related companies.
- (208) For the exporting producers that exported the product concerned directly to independent customers in the Union, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.
- (209) For indirect sales, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. Established case-law clarifies that adjustments pursuant to Article 2(9) of the basic Regulation include costs incurred by an entity located outside the European Union, provided that such an entity appears to be associated with the importer or exporter and that the costs in question would normally be borne by an importer <sup>(115)</sup>. In this context, case-law equates these costs with those related to sales activities performed by subsidiaries as they reduce the amount received by the exporting producer, in as much as they are typically borne by the importer <sup>(116)</sup>. As noted by the Court of Justice, this approach is in line with the objective of Article 2(9) of the basic Regulation.

<sup>(114)</sup> Commission Implementing Regulation (EU) 2024/2673 of 11 October 2024 imposing a provisional anti-dumping duty on imports of glass fibre yarns originating in the People's Republic of China (OJ L, 2024/2673, 14.10.2024, ELI: [http://data.europa.eu/eli/reg\\_impl/2024/2673/oj](http://data.europa.eu/eli/reg_impl/2024/2673/oj)).

<sup>(115)</sup> See judgment of 7 March 2024, AO Nevinnomysskiy Azot and AO Novomoskovskaya Aktsionernaya Kompania NAK 'Azot' v European Commission, C-725/22, ECLI:EU:C:2024:217, paras. 67 and 72.

<sup>(116)</sup> Judgment of 14 March 1990, Gestetner Holdings plc v Council and Commission of the European Communities, C-156/87, ECLI:EU:C:1990:116, para. 31.

According to the Court, that objective would not be achieved if an exporting producer could simply structure its sales in such a way as to ensure the involvement, prior to the importation of the product concerned into the European Union, of an intermediary associated with it which would assume responsibility for the costs normally borne by an importer, so as to increase the export price actually paid by the importer <sup>(117)</sup>.

- (210) The Commission noted that the trader related to the exporting producers located in Hong Kong was incurring costs normally born by an importer, including those related to invoicing unrelated customers located in the Union. Therefore, an adjustment under Article 2(9) of the basic Regulation for these costs (SG&A costs) and a nominal profit was warranted.
- (211) For the exporting producers that exported the product concerned to the Union through related companies acting as an importer, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. In this case, adjustments to the price were made for all costs incurred between importation and resale, including SG&A expenses, and for profits accruing.
- (212) In the absence of cooperation of unrelated importers in the present case, a reasonable profit established at 5 % in the original glass fibre fabrics ('GFF') <sup>(118)</sup> investigation for a downstream glass fibre product was used to establish a reliable export price at the Union frontier level.

#### 4.5. Comparison

- (213) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the ex-works level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the ex-works level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

##### 4.5.1. Adjustments made to the normal value

- (214) As explained in recital (194), the normal value was established at the ex-works level of trade by using costs of production together with amounts for SG&A costs and for profit, which were considered to be reasonable for that level of trade. Therefore, no adjustments were necessary to net the normal value back to the ex-works level.

##### 4.5.2. Adjustments made to the export price

- (215) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of: customs duty, other import charges, freight, insurance, handling loading and ancillary expenses.
- (216) Allowances were made for the following factors affecting prices and price comparability: credit cost, bank charges and commissions.

#### 4.6. Dumping margins

- (217) For the sampled cooperating exporting producers, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.
- (218) Given the high rate of cooperation of Chinese exporting producers, the 'all other companies' duty was set at the level of the highest duty to be imposed on the companies sampled or cooperating in the investigation. The 'all other companies' duty will be applied to those companies which did not cooperate in the investigation.

<sup>(117)</sup> Judgment of 7 March 2024, AO Nevinnomysskiy Azot and AO Novomoskovskaya Aktsionernaya Kompania NAK 'Azot' v European Commission, C-725/22, ECLI:EU:C:2024:217, para. 66.

<sup>(118)</sup> Commission Implementing Regulation (EU) 2020/492 of 1 April 2020 imposing definitive anti-dumping duties on imports of certain woven and/or stitched glass fibre fabrics originating in the People's Republic of China and Egypt (OJ L 108, 6.4.2020, p. 1, ELI: [http://data.europa.eu/eli/reg\\_impl/2020/492/oj](http://data.europa.eu/eli/reg_impl/2020/492/oj)), recital (272).

- (219) Chongqing Polycomp International Corporation was the only exporting producer that came forward during the sampling exercise and was not sampled. Its definitive duty rate is set at the weighted average of the rates established for the cooperating exporting producers in the sample.
- (220) The definitive dumping margins expressed as a percentage of the cost, insurance and freight (CIF) Union frontier price, duty unpaid, are as follows:

| Company                                                                                                                                                      | Definitive dumping margin |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| CNBM Group, consisting of:<br>— Jushi Group Co., Ltd.,<br>— Jushi Group Chengdu Co., Ltd.,<br>— Jushi Group Jiujiang Co., Ltd.,<br>— Taishan Fiberglass Inc. | 33,2 %                    |
| Jiangsu Changhai Composite Materials Holding Co., Ltd.                                                                                                       | 23,0 %                    |
| Chongqing Polycomp International Corporation.                                                                                                                | 30,2 %                    |
| All other companies                                                                                                                                          | 33,2 %                    |

## 5. INJURY

### 5.1. Definition of the Union industry and Union production

- (221) The like product was manufactured by ten producers in the Union at the beginning of the period considered, while two of them ceased production during the RIP, as mentioned in recital (46). They constitute the 'Union industry' within the meaning of Article 4(1) of the basic Regulation.
- (222) The total Union production during the RIP was established at 504 019 tonnes. The Commission established the figure on the basis of the available information concerning the Union industry as provided by Glass Fibre Europe ('GFE'). As indicated in recital (19), manufacturing plants of three Union producers were selected in the sample, representing 60 % of the total Union production of the like product.

### 5.2. Union consumption

- (223) The Commission established the Union consumption on the basis of (i) the volume of sales of the Union industry on the free Union market based on data provided by GFE and (ii) imports from third countries based on data extracted from Eurostat (Comext).

Table 2

#### Union consumption (tonnes)

|                         | 2021    | 2022    | 2023    | RIP     |
|-------------------------|---------|---------|---------|---------|
| Total Union consumption | 905 048 | 953 104 | 833 320 | 853 661 |
| Index                   | 100     | 105     | 92      | 94      |

Source: Data provided by GFE; Eurostat (Comext).

- (224) The total consumption of GFR in the Union decreased by 6 % during the period considered. The increase observed in 2022 was mainly due to the economic recovery following the lifting of the COVID-19 measures as users resumed placing orders to restock inventories and restarted production. However, during 2023 demand for GFR in the Union decreased while in the RIP it recovered by 2 %. Decline in consumption and subsequent poor recovery were attributed to over-ordering in previous years and more cautious consumer spending due to the economic climate in the RIP.

### 5.3. Imports from the country concerned

#### 5.3.1. Volume and market share

(225) Imports into the Union from the PRC developed as follows:

Table 3

#### Import volume (metric tonnes) and market share

|                                | 2021   | 2022    | 2023   | RIP    |
|--------------------------------|--------|---------|--------|--------|
| Volume of imports from the PRC | 56 974 | 107 404 | 80 039 | 86 005 |
| <i>Index</i>                   | 100    | 189     | 140    | 151    |
| Market share                   | 6 %    | 11 %    | 10 %   | 10 %   |
| <i>Index</i>                   | 100    | 181     | 155    | 163    |

Source: Eurostat (Comext).

(226) Even with the measures in place, the volume of imports from the PRC increased by 51 % during the period considered. Considering the evolution of consumption, the market share of Chinese imports increased from 6 % in the 2021 to 10 % in the RIP.

#### 5.3.2. Prices of the imports from the PRC and price undercutting

(227) The Commission established the prices of imports on the basis of Eurostat data. The average price of imports into the Union from the PRC developed as follows:

Table 4

#### Import prices (EUR/tonne)

|              | 2021  | 2022  | 2023  | RIP |
|--------------|-------|-------|-------|-----|
| The PRC      | 1 302 | 1 585 | 1 026 | 939 |
| <i>Index</i> | 100   | 122   | 79    | 72  |

Source: Eurostat (Comext).

(228) The average import price of the product under review into the Union initially increased by 22 % in 2022 due to exceptionally high shipping costs that followed the lifting of the COVID-19 measures. Subsequently, a significant drop in average import prices could be observed. In the RIP, the average price of imports into the Union was 28 % lower than in 2021.

(229) The Commission determined the price undercutting during the investigation period by comparing:

- the weighted average sales prices per product type of the sampled Union producers charged to unrelated customers on the Union market, adjusted to an ex-works level, and
- the corresponding weighted average prices per product type of the imports from the sampled Chinese producers to the first independent customer on the Union market, established on a Cost, insurance, freight (CIF) basis, with appropriate adjustments for conventional, anti-dumping and countervailing customs duties, and post-importation costs.

(230) For sampled exporting producer Taishan Fiberglass Inc., sales made under a special supply agreement with Union producer European Owens Corning Fibreglas SPRL were excluded from the undercutting calculations because the product in question – an alkali-resistant glass fibre used for reinforcing cement – was not produced in the Union. The product is instead manufactured exclusively in China and Japan under a long-standing supply agreement between these two companies, with production relying on European Owens Corning Fibreglas SPRL's proprietary technology and inputs (e.g. bushings).

- (231) The comparison showed that, during the RIP, imports of the product under review originating in the PRC were sold in the Union at prices which undercut the Union industry prices, when expressed as a percentage of the latter, by 16,64 % to 30,68 %, even when including the applicable anti-dumping and countervailing duties.
- (232) In addition to price undercutting, there was also significant price suppression within the meaning of Article 3(3) of the basic Regulation. Due to the significant price pressure caused by the low-priced dumped imports from Chinese exporting producers, the Union industry was unable to raise its prices throughout the RIP in line with the development of costs of production while trying to achieve a reasonable level of profit, as set out in Table 9 below. The significant price suppression was confirmed by the data in Table 4 as well as the price underselling found on the basis of the data provided by the sampled exporting producers.

#### 5.4. Economic situation of the Union industry

##### 5.4.1. General remarks

- (233) The assessment of the economic situation of the Union industry included an evaluation of all economic indicators having a bearing on the state of the Union industry during the period considered.
- (234) As mentioned in recital (19), sampling was used for the assessment of the economic situation of the Union industry.
- (235) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators. The Commission evaluated the macroeconomic indicators on the basis of the information provided by GFE. The Commission evaluated the microeconomic indicators on the basis of data contained in the questionnaire replies from the sampled Union producers.
- (236) The macroeconomic indicators are: production, production capacity, capacity utilisation, sales volume, market share, employment, productivity, magnitude of the dumping margin and recovery from past dumping.
- (237) The microeconomic indicators are: average unit prices, unit cost, labour costs, inventories, profitability, cash flow, investments, return on investments and ability to raise capital.

##### 5.4.2. Macroeconomic indicators

##### 5.4.2.1. Production, production capacity and capacity utilisation

- (238) The total Union production, production capacity and capacity utilisation developed over the period considered as follows:

Table 5

#### Production, production capacity and capacity utilisation

|                                     | 2021    | 2022    | 2023    | RIP     |
|-------------------------------------|---------|---------|---------|---------|
| Production volume (metric tonnes)   | 616 388 | 620 455 | 528 204 | 504 019 |
| <i>Index</i>                        | 100     | 101     | 86      | 82      |
| Production capacity (metric tonnes) | 711 692 | 696 059 | 683 048 | 651 196 |
| <i>Index</i>                        | 100     | 98      | 96      | 91      |
| Capacity utilisation                | 87 %    | 89 %    | 77 %    | 77 %    |
| <i>Index</i>                        | 100     | 103     | 89      | 89      |

Source: GFE.

- (239) Production volume in 2022 increased slightly in comparison to 2021 following relaxation of the COVID-19 measures which facilitated more stable production. Furthermore, in 2022 several sampled Union producers increased production volume in order to accumulate inventories of finished products as they were heading into planned furnaces rebuilds. However, in 2023 and RIP there was a significant drop in production volume as the Union producers were selling off accumulated inventories while at the same time Union industry was faced with decreased demand and increased imports of GFR from the PRC at low prices.
- (240) Production capacity declined consistently throughout the period considered and was reduced by 9 %. As explained in the recital (46), the decrease in production capacity from 2021 to the end of the RIP was due to some Union producers ceasing production, with Krosglass S.A. halting GFR production in Poland and Electric Glass Fiber NL, B.V. entering bankruptcy proceedings. Additionally, following Brexit, NEG UK was excluded from the Union industry, which also contributed to the apparent decline in capacity compared to the previous review investigation.
- (241) Capacity utilisation decreased by 10 percentage points over the period considered as production volume decreased more than production capacity.

#### 5.4.2.2. Sales volume and market share

- (242) The Union industry's sales volume on the free market and market share developed over the period considered as follows:

Table 6

#### Free market sales volume and market share (tonnes)

|                                        | 2021    | 2022    | 2023    | RIP     |
|----------------------------------------|---------|---------|---------|---------|
| Total sales volume on the Union market | 405 241 | 373 138 | 341 558 | 337 898 |
| <i>Index</i>                           | 100     | 92      | 84      | 83      |
| Market share                           | 45 %    | 40 %    | 42 %    | 40 %    |
| <i>Index</i>                           | 100     | 88      | 93      | 90      |

Source: GFE.

- (243) In the period considered, the sales volume on the Union free market (excluding captive sales) and market share of Union producers experienced notable downward trends reflecting a decline in demand combined with increasing imports from the PRC at low prices. In parallel, while free market consumption decreased by 6 %, the sales volume of the Union industry decreased even more so that market share of the Union industry decreased from 45 % in 2021 to 40 % in the RIP.
- (244) The captive volume developed over the period considered as follows:

Table 7

#### Captive volume on the Union market (metric tonnes)

|                                    | 2021    | 2022    | 2023   | RIP    |
|------------------------------------|---------|---------|--------|--------|
| Captive volume in the Union market | 104 510 | 103 486 | 94 143 | 94 536 |
| <i>Index</i>                       | 100     | 99      | 90     | 90     |

Source: GFE.

- (245) The Union industry captive volume (composed of captive transfers and captive sales in the Union market) in the Union market went down by 10 % over the period considered. While sales in both the free market and the captive market followed a similar trend from 2021 to the end of the RIP, the decline in sales within the captive market was 7 percentage points less than in the free market.

#### 5.4.2.3. Employment and productivity

(246) Employment and productivity developed over the period considered as follows:

Table 8

#### Employment and productivity

|                                       | 2021  | 2022  | 2023  | RIP   |
|---------------------------------------|-------|-------|-------|-------|
| Number of employees                   | 3 240 | 3 293 | 3 178 | 2 690 |
| <i>Index</i>                          | 100   | 102   | 98    | 83    |
| Productivity (metric tonnes/employee) | 190   | 188   | 166   | 187   |
| <i>Index</i>                          | 100   | 99    | 87    | 98    |

Source: GFE.

- (247) In the period considered, the number of employees in the Union industry exhibited both an initial increase and subsequent decline. The initial increase in 2022 in comparison to 2021 corresponded to the increased production and sales following the relaxation of COVID-19 restrictions. Subsequently, the Union industry had to reduce employment to adjust to the challenging market conditions and maintain operational efficiency, and some Union producers stopped production of GFR altogether as explained in the recital (46).
- (248) Productivity decreased between 2021 and 2023 from 190 tonne/employee to 166 tonne/employee before picking up in the RIP to 187 tonne/employee after employment contracted significantly. The efficiency gains also followed investment performed on the furnaces by several Union producers of GFR.

#### 5.4.2.4. Magnitude of the dumping margin and recovery from past dumping

- (249) Dumping margins were significantly above the de minimis level. The impact of the magnitude of the actual margins of dumping on the Union industry was not negligible, given the volume and prices of imports from the country concerned.

#### 5.4.2.5. Growth

- (250) The Union consumption decreased by 6 % during the period considered. The sales volume of the Union industry on the Union market decreased even more, by 16 %. The Union industry thus lost market share, contrary to the market share of the imports from the country concerned which increased during the period considered.

#### 5.4.3. Microeconomic indicators

##### 5.4.3.1. Prices and factors affecting prices

- (251) The weighted average unit sales prices of the sampled Union producers to unrelated customers in the Union developed over the period considered as follows:

Table 9

#### Sales prices and cost of production in the Union (EUR/metric tonnes)

|                                       | 2021  | 2022  | 2023  | RIP   |
|---------------------------------------|-------|-------|-------|-------|
| Average unit sales price in the Union | 1 100 | 1 540 | 1 343 | 1 209 |
| <i>Index</i>                          | 100   | 140   | 122   | 110   |
| Unit cost of production               | 1 161 | 1 437 | 1 458 | 1 351 |
| <i>Index</i>                          | 100   | 124   | 126   | 116   |

Source: sampled Union producers.

- (252) The average sales prices increased in 2022 in comparison to 2021 as sampled Union producers were able to pass the increase in costs driven by inflation onto customers due to uptick in demand. In 2023 and in RIP average sales prices decreased resulting from a global lower market demand and increased price pressure from imports from the PRC.
- (253) Unit production costs increased by 26 % from 2021 to 2023 due to an increase in labour costs and raw material. Additionally, energy costs have been volatile, significantly impacting industries that rely heavily on energy. The unit cost of production reduced in the RIP, but remained far above the 2021 level, thanks to a decrease in energy prices, improved energy efficiency and successful cost management strategies.

#### 5.4.3.2. Labour costs

- (254) The average labour costs of the sampled Union producers developed over the period considered as follows:

Table 10

#### Average labour costs per employee

|                                         | 2021   | 2022   | 2023   | RIP    |
|-----------------------------------------|--------|--------|--------|--------|
| Average labour costs per employee (EUR) | 59 946 | 64 857 | 66 777 | 66 728 |
| Index                                   | 100    | 108    | 111    | 111    |

Source: sampled Union producers.

- (255) Average labour cost per employee followed a consistent upward trend with an overall increase of 11 % during the period considered. The increase was mainly due to labour market pressures, as companies raised wages to retain and attract employees in a tight post-COVID job market marked by high inflation.

#### 5.4.3.3. Inventories

- (256) Stock levels of the sampled Union producers developed over the period considered as follows:

Table 11

#### Inventories

|                                | 2021   | 2022   | 2023   | RIP    |
|--------------------------------|--------|--------|--------|--------|
| Closing stocks (metric tonnes) | 41 544 | 68 278 | 51 620 | 37 371 |
| Index                          | 100    | 164    | 124    | 90     |

Source: sampled Union producers.

- (257) The increase in inventories in 2022 was initially driven by a strategic stock buildup in anticipation of planned furnace rebuilds. This aligned with an earlier period during COVID-19 when there was a significant surge in demand and supply chain issues prompted Union producers to overorder raw materials to meet production requirements. Following the completion of furnace rebuilds, inventories decreased as sampled Union producers managed to sell off existing stocks in 2023 and the RIP. The increases in the inventories in 2022 were due to the increased stock buildup in anticipation of the shut down during the planned furnace rebuilds. However, once rebuilds were done there was a decrease in inventories as the sampled Union producers managed to sell those inventories in 2023 and RIP which coincides with a decrease in production volume

#### 5.4.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

- (258) Profitability, cash flow, investments and return on investments of the sampled Union producers developed over the period considered as follows:

Table 12

#### Profitability, cash flow, investments and return on investments

|                                                                                  | 2021       | 2022       | 2023       | RIP        |
|----------------------------------------------------------------------------------|------------|------------|------------|------------|
| Profitability of sales in the Union to unrelated customers (% of sales turnover) | - 5,4 %    | 8,0 %      | - 7,3 %    | - 10,6 %   |
| <i>Index</i>                                                                     | 100        | 148        | - 136      | - 198      |
| Cash flow (EUR)                                                                  | 10 165 478 | 26 151 455 | 20 865 951 | 56 808 127 |
| <i>Index</i>                                                                     | 100        | 257        | 205        | 559        |
| Investments (EUR)                                                                | 29 103 848 | 35 118 981 | 72 272 923 | 47 662 277 |
| <i>Index</i>                                                                     | 100        | 121        | 248        | 164        |
| Return on investments                                                            | - 6 %      | 13 %       | - 6 %      | - 9 %      |
| <i>Index</i>                                                                     | 100        | 228        | - 109      | - 166      |

Source: sampled Union producers.

- (259) The Commission established the profitability of the sampled Union producers by expressing the pre-tax net profit of the sales of the like product to unrelated customers in the Union as a percentage of the turnover of those sales. While the Union industry incurred losses in 2021, there was an increase in profitability in 2022 as the sampled Union producers could pass the increase in unit production costs onto customers thanks to favourable market conditions linked to high demand and high shipping costs. In 2023 and in the RIP, the profitability, however, dropped due to increased costs which could not be compensated with an increase in sales prices due to an increase in import volumes at dumped prices from the PRC undercutting the Union industry's prices.
- (260) Investments during the period considered increased. These investments mainly related to rebuilds of furnaces of the sampled Union producers aimed at ensuring the longevity of the equipment. These investments, planned long ahead, took place against the background of unfavourable market conditions prevailing in 2023 and in RIP.
- (261) The cash flow from 2021 to the RIP showed significant fluctuations driven by volatile market conditions and specific operational limitations of some plants as a result of the postponement of furnaces rebuilds. During period considered, 2022 was the only year in which all sampled Union producers achieved significant profits, depleted partially in the build-up of inventories heading into planned furnaces rebuilds, which led to a positive cashflow. In 2023 and during the RIP, despite experiencing severe losses, cash flows remained positive. This seemingly contradictory situation, particularly evident in the RIP, could be largely attributed to the significant positive cash flow impact resulting from reductions in inventory levels that had been accumulated in 2022.
- (262) The return on investments is the profit in percentage of the net book value of investments. The return on investment developed in line with the profitability. It first increased in 2022 before deteriorating in 2023 and even further in the RIP, which made it more difficult for the Union industry to raise capital and grow.

#### 5.4.4. *Conclusion on injury*

- (263) During the period considered the Union industry was only profitable in 2022, after which it returned to being lossmaking. In 2023 and in the RIP, the lossmaking situation of the Union industry coincided with an increase of imports from the PRC at prices below the Union industry's average sales prices and costs of production.
- (264) The Union industry was able to increase its price level in 2022 to achieve a profitable situation. However, in 2023 and in the RIP, the difference between the Union industry sales prices and import prices from the PRC increased. Union prices increased by 10 % during the period considered while import prices from the PRC decreased by 28 % during the same period. Consequently, the import prices of the product under review from the PRC followed an opposite trend to that of the Union industry. As a result, even though the Union industry was forced to sell at a loss, it lost market share to the imports from the PRC between 2021 and the RIP.
- (265) Almost all injury indicators showed an overall negative trend throughout the period considered. Production, production capacity, capacity utilisation, profitability, return on investments all deteriorated, in line with decreased sales volumes and market share. In 2022 the Union was able to recover to a certain extent as demand for GFR increased in the wake of the lifting of the COVID-19 measures. However, in 2023 and in the RIP due to the increase in import volume at decreasing prices, the Union industry's situation deteriorated further as illustrated by its increased losses.
- (266) As set out above, other economic indicators such as return on investment were negative during the period considered with the exception of the year 2022. This affected the ability of the Union industry to self-finance operations and to raise capital, thus impeding its growth and even threatening its survival in the medium to long term.
- (267) On the basis of the above, the Commission concluded that the Union industry suffered material injury within the meaning of Article 3(5) of the basic Regulation.

## 6. CAUSATION

- (268) In accordance with Article 3(6) of the basic Regulation, it was examined whether the dumped imports from the PRC caused material injury to the Union industry.
- (269) In accordance with Article 3(7) of the basic Regulation, the Commission also examined whether other known factors could at the same time have injured the Union industry. The Commission ensured that any possible injury caused by factors other than the dumped imports from the country concerned was not attributed to the dumped imports. The factors considered by the Commission were imports from third countries other than PRC, the export performance of the Union industry, the increase in cost of raw materials and cost of energy on the Union industry and the contraction in demand.

### 6.1. **Effects of the dumped imports**

- (270) The Commission examined the evolution of the volume of imports from the country concerned and their impact on the Union industry as required by Article 3(6) of the basic Regulation.

### 6.2. **Quantity and market share of the dumped imports from the country concerned**

- (271) The investigation showed that, despite the anti-dumping and countervailing measures in force and decreasing consumption, the volume of dumped imports undercutting the Union industry's prices from the PRC increased both in absolute and relative terms during the period considered. Taking 2021 as a reference year, the import volume increased by 51 % while the market share of imports originating in the PRC increased from 6 % in 2021 to 10 % in the RIP.
- (272) At the same time, the Union industry saw its market share decreasing by five percentage points during the period considered.

### 6.3. Price of the dumped imports from the country concerned and price effect

- (273) The average unit prices of the dumped imports decreased by 28 % between 2021 and the RIP and were lower than those of the Union industry during the same period.
- (274) The Union industry was profitable in 2022 and became loss making afterwards which coincided with the significant decrease in import prices from the PRC. Even after lowering its sales price in 2023 and in the RIP, the Union industry failed to maintain its market share. This price decrease was at the expense of profitability, leading to a loss-making situation.
- (275) Based on the above, it was concluded that the price level of the dumped imports from the PRC, had a considerably negative impact on the economic situation of the Union industry and therefore played a decisive role in the material injury suffered by the Union industry.

### 6.4. Causal link between the dumped imports from the PRC and the material injury of the Union industry

- (276) The deterioration of the economic situation of the Union industry coincided with an increased presence of dumped imports from the PRC. In a context of a shrinking market, the increased market share of imports from the PRC combined with their low average sales prices had a negative impact on the Union industry's financial situation. Although the Union industry was able to recover in 2022, it was not able to increase its sales prices sufficiently to fully cover the increased production costs, because of the increased presence of dumped imports of the GFR from the PRC. Hence the Commission concluded that the increase in imports from PRC at dumped prices coincided with the significant deterioration of the situation of the Union industry in 2023, which continued in the RIP.
- (277) In view of the above considerations, the Commission established that the material injury suffered by the Union industry was caused by the dumped imports from the PRC within the meaning of Article 3(6) of the basic Regulation.

### 6.5. Effects of other factors

#### 6.5.1. Imports from third countries other than PRC

- (278) Imports of GFR from third countries other than the PRC originated mainly from Egypt, Malaysia, and the United Kingdom.
- (279) The volume of imports into the Union as well as the market share and price trends for imports of GFR from other third countries developed as follows:

Table 13

#### Imports from third countries

| Country  |                           | 2021    | 2022    | 2023    | RIP     |
|----------|---------------------------|---------|---------|---------|---------|
| Malaysia | Volume (tonnes)           | 136 086 | 114 844 | 76 909  | 84 827  |
|          | <i>Index</i>              | 100     | 84      | 57      | 62      |
|          | Market share              | 15 %    | 12 %    | 9 %     | 10 %    |
|          | Average price (EUR/tonne) | 1 049   | 1 389   | 1 146   | 975     |
| Egypt    | <i>Index</i>              | 100     | 132     | 109     | 93      |
|          | Volume (tonnes)           | 112 120 | 117 953 | 106 599 | 113 312 |
|          | <i>Index</i>              | 100     | 105     | 95      | 101     |
|          | Market share              | 12 %    | 12 %    | 13 %    | 13 %    |
|          | Average price (EUR/tonne) | 803     | 1 193   | 932     | 771     |
|          | <i>Index</i>              | 100     | 149     | 116     | 96      |

| Country                                          |                           | 2021    | 2022    | 2023    | RIP     |
|--------------------------------------------------|---------------------------|---------|---------|---------|---------|
| United Kingdom                                   | Volume (tonnes)           | 34 509  | 57 306  | 50 127  | 47 437  |
|                                                  | <i>Index</i>              | 100     | 166     | 145     | 137     |
|                                                  | Market share              | 4 %     | 6 %     | 6 %     | 6 %     |
|                                                  | Average price (EUR/tonne) | 1 017   | 1 331   | 1 397   | 1 273   |
|                                                  | <i>Index</i>              | 100     | 131     | 137     | 125     |
| Other third countries not mentioned above        | Volume (tonne)            | 160 116 | 173 659 | 165 869 | 170 443 |
|                                                  | <i>Index</i>              | 100     | 108     | 104     | 106     |
|                                                  | Market share              | 18 %    | 18 %    | 20 %    | 20 %    |
|                                                  | Average price (EUR/tonne) | 1 069   | 1 595   | 1 299   | 1 164   |
|                                                  | <i>Index</i>              | 100     | 149     | 121     | 109     |
| Total of all third countries (excluding the PRC) | Volume (tonne)            | 442 833 | 463 762 | 399 504 | 416 019 |
|                                                  | <i>Index</i>              | 100     | 105     | 90      | 94      |
|                                                  | Market share              | 49 %    | 49 %    | 49 %    | 50 %    |
|                                                  | Average price (EUR/tonne) | 992     | 1 409   | 1 184   | 1 031   |
|                                                  | <i>Index</i>              | 100     | 139     | 116     | 101     |

Source: Eurostat (Comext).

- (280) The trend in Malaysian imports to the Union from 2021 to the RIP showed a significant decline in both volume and market share, alongside fluctuations in pricing. Import volumes dropped sharply from 136 086 metric tonnes in 2021 to 76 909 metric tonnes in 2023, before a minor recovery to 84 827 tonnes by the RIP. Correspondingly, the market share of Malaysian imports decreased from 15 % to 9 % before slightly improving to 10 %. Although the average price per metric tonne initially rose by 32 % in 2022, there was a significant drop in 2023 and in RIP.
- (281) Volumes and market share of imports of GFR originating in Egypt remained stable amid significant pricing fluctuations, especially when compared to Union average prices. Egyptian import volumes showed a slight increase of about 5 % from 2021 to 2022, a decrease of around 10 % in 2023 and a return nearly to original levels by the RIP, maintaining a constant 12 % market share that slightly grew to 13 % in the RIP. Egyptian import prices remained lower than both the Union industry's average prices and the Chinese import prices.
- (282) Imports of GFR from the United Kingdom into the Union between 2021 and the RIP showed an increase in volume, and a relatively steady market share. Import volumes from the UK increased from 2021 to 2022, before declining by around 12 % in 2023 and a further 5 % by the RIP. Market share increased from 4 % to 6 % during 2022 and 2023, slightly dropping to 5 % in the RIP. The average price per metric tonne from the UK were at similar or higher levels than the average price of the Union industry, and above the price of imports from the PRC. Import prices from the UK first rose by 31 % from 2021 to 2022 and continued to increase to EUR 1 397 in 2023, before a slight decrease to EUR 1 273 in the RIP.

- (283) Imports of GFR from third countries, excluding those previously specified, into the Union during the period considered experienced an increase in volume and in market share that went from 18 % to 20 %. However, average prices from these countries were higher than prices of imports from the PRC.
- (284) The analysis of the import data for GFR originating in other third countries shows a mixed picture. Imports from Malaysia decreased significantly in absolute and relative terms during the period considered while priced below the Union industry's prices. Imports originating in Egypt remained stable while also priced below the Union industry's average prices. Imports from the United Kingdom, though increasing entered the Union at higher prices in 2023 and the RIP. Imports volumes from other third countries not mentioned above increased in absolute and relative terms during the period considered. All in all, there were no significant imports from third countries that both increased their market share while priced below the Union industry prices during the period considered, and or in the RIP in particular.
- (285) In light of the above, the Commission concluded that imports from other third countries did not attenuate the causal link between the injury suffered by the Union industry and the dumped imports from the PRC.

#### 6.5.2. *Export performance of the Union industry*

- (286) The volume of exports of the Union industry developed over the period considered as follows:

Table 14

#### **Export performance of Union producers**

|                           | 2021   | 2022   | 2023   | RIP     |
|---------------------------|--------|--------|--------|---------|
| Export volume (tonnes)    | 83 052 | 85 859 | 88 712 | 105 695 |
| <i>Index</i>              | 100    | 103    | 107    | 127     |
| Average price (EUR/tonne) | 1 204  | 1 807  | 1 715  | 1 620   |
| <i>Index</i>              | 100    | 150    | 142    | 135     |

Source: GFE, Sampled Union producers.

- (287) Since 2021, the Union industry's exports gradually increased, though remained small compared to total sales. These exports were largely composed of products of higher technical specifications, which shielded them from direct price competition. Consequently, the Union could achieve higher prices for these GFR products in international markets compared to the Union market. This reflected a strategic focus on niche markets abroad.
- (288) Therefore, the increase in export sales did not attenuate the causal link between the dumped imports from the country concerned and the injury suffered by the Union industry. On the contrary, export sales allowed the Union industry to improve its overall financial situation thanks to the increased sales volume and achieved price levels, which were higher than on the Union market.

#### 6.5.3. *Energy and raw materials costs*

- (289) The average price of energy of the Union industry developed over the period considered as follows:

Table 15

#### **Energy and raw materials prices in the Union**

|                                               | 2021 | 2022 | 2023 | RIP |
|-----------------------------------------------|------|------|------|-----|
| Average cost of energy per tonne in the Union | 210  | 412  | 233  | 204 |
| <i>Index</i>                                  | 100  | 197  | 111  | 97  |

|                                                      | 2021 | 2022 | 2023 | RIP |
|------------------------------------------------------|------|------|------|-----|
| Average cost of raw materials per tonne in the Union | 182  | 240  | 261  | 231 |
| <i>Index</i>                                         | 100  | 132  | 144  | 127 |

Source: Sampled Union producers.

- (290) The trend in energy prices in the Union during the period considered showed significant increase and eventual stabilization. The sharp increase in 2022, in comparison to 2021, was exacerbated by the consequences of the geopolitical tensions affecting energy supply mainly due to Russia's unjustified and unprovoked war of aggression against Ukraine. The spike in energy prices significantly impacted production costs of the sampled Union producers. By 2023, prices of energy decreased.
- (291) The investigation revealed that the cost of the main raw materials increased substantially in 2022, contributing to a significant rise in the unit sales price as the Union industry could pass these costs on to customers. To the contrary, whereas in 2023 raw material costs continued to increase, the unit sales price declined as the Union industry was unable to pass these additional costs on to customers. In the RIP, while raw material costs decreased in comparison to the costs observed in years 2023 and 2022, the Union market prices dropped even further because Union industry was not able to maintain or increase its prices due to price pressure by dumped imports from China.
- (292) On this basis, the Commission concluded that the evolution of energy prices and costs of raw materials did not attenuate the causal link between the dumped imports and the deterioration of the economic situation of the Union industry.

#### 6.5.4. *Captive volume of the Union industry*

- (293) As noted in recital (245), sales in both the free and captive markets exhibited a similar trend over the period considered, with captive sales experiencing a slower decrease –specifically 7 percentage points less. Therefore, captive sales could not be viewed as a factor that undermined the causal relationship between the dumped imports and their effect on the Union industry.

#### 6.5.5. *Contraction in demand*

- (294) Although there was some contraction in demand, as explained in recital (171), Chinese imports increased their market share from 6 % in 2021 to 10 % in RIP, while the sales volume and market share of the Union industry declined. In addition, the investigation also concluded on price undercutting and price suppression by Chinese imports.
- (295) On this basis, the Commission concluded that the contraction in demand did not attenuate the causal link between the dumped imports and the deterioration of the economic situation of the Union industry.

#### 6.5.6. *Conclusion on causation*

- (296) There was an overall deterioration of the Union industry's financial situation in 2023 and in RIP. These negative circumstances coincided in time with an increased market share of imports of GFR from the PRC, which were made at dumped prices undercutting the Union industry's prices and costs despite the existence of anti-dumping and countervailing duties.
- (297) Other factors which could have caused injury to the Union industry have also been analysed. In this respect, it was found that imports from other third countries, the export performance of the Union industry, the increase in energy prices, development on captive market and contraction in demand did not attenuate the causal link established between the dumped imports and the injury suffered by the Union industry.

## 7. UNION INTEREST

### 7.1. Interest of the Union industry

- (298) The investigation established that the Union industry has suffered material injury caused by the dumped imports from the PRC during the RIP. As explained in the recital (52), during the RIP two Union producers stopped production of GFR altogether due to unfavourable market conditions.
- (299) The amendment of measures would allow the Union industry to maintain and/or regain its market share, increase production and capacity utilisation, increase prices to cover cost of production and achieve a level of profitability which would be expected under normal conditions of competition. On this basis, the Union industry would need to return to a sustainable situation which allow it to make future investments.
- (300) Maintaining the measures at the same level would likely lead to a further loss of market share and deterioration of profitability, which turned negative in 2023 and in the RIP. This would possibly cause additional closures of production facilities and dismissals thus endangering the viability of the Union industry.
- (301) The Commission therefore concluded that the amendment of anti-dumping measures on imports of GFR originating in the PRC would be in the interest of the Union industry.

### 7.2. Interest of users and unrelated importers

- (302) No unrelated importers came forward and cooperated in this investigation by submitting a questionnaire reply.
- (303) During the investigation only two users, Amiblu Holding GmbH and F.S. Fehrer Automotive GmbH, came forward and provided highly deficient questionnaire replies. The Commission requested the parties concerned to provide the outstanding information; however, they did not comply with this request within the prescribed timeframe.
- (304) Upon initiation, another user, PROXIM, expressed objections to the potential amendment of the measures. PROXIM asserted that many users were not aware of the investigation, which prevented them from submitting the questionnaire within the designated timeframe.
- (305) However, the Commission took all necessary steps to ensure that all known users and unrelated importers mentioned in the request were duly notified. Additionally, a Notice of Initiation, was published in the Official Journal, informing all interested parties of the investigation. Questionnaires destined to users and importers were also published on the case website <sup>(119)</sup>.
- (306) In its submission, the users Tolnatek Fonalfeldolgozó és Műszakiszövet-gyártó Bt. ('Tolnatek') and Dr. Günther Kast GmbH & Co., which are part of the KAST Group, asserted that the implementation of additional trade measures would adversely affect an efficient supply chain. According to Tolnatek, despite being protected by the existing measures, Union producers have not increased their capacity to supply the Union market with GFR to adequately meet users' demands. Moreover, they noted that certain rovings such as low-tex rovings are not produced within the Union, and, for some, the technical specifications required by users are not met by Union producers' which makes users extremely dependent on the availability of specified products from alternative sources. Lastly, users in the Union were negatively impacted by the decrease in PRC's export tax rebate and with increasingly concentrated oligopoly of a few Union producers. Similar comments were submitted by PROXIM in their submission concerning second FOP Note.
- (307) The investigation determined that these claims were unfounded. As highlighted in recital (260), the Union industry has made substantial investments despite challenging market conditions. However, further capacity expansion necessitates long-term capital commitments, which rely on maintaining a level playing field where competitive producers can anticipate a fair return on investments. The Union industry was also faced with unfair imports from other countries such as Egypt <sup>(120)</sup> and difficult market conditions, including the impacts of COVID-19 pandemic.

<sup>(119)</sup> <https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2749>.

<sup>(120)</sup> See footnote 7.

- (308) GFR is to a high extent standardised product. Despite various differences in appearance and potential differences in final applications, all different types of GFR share the same basic physical, chemical, and technical characteristics and are essentially used for the same purposes. Hence users of GFR can change supply sources as alternative supply sources are available outside of the PRC, including Malaysia, Egypt, the UK and other sources. Furthermore, the Union industry has the capacity, capability and technology for the production of many required types such as low-tex rovings. Union industry has been making an investment in innovation and has consistently worked with downstream industries in R&D efforts to tailor products effectively. Unfortunately, as noted in recital (327), such investments could not always take place due to the fierce competition linked to dumped imports from in the PRC.
- (309) Even with the reduction in PRC's export tax rebate in November 2024, large volumes of imports continued to enter the Union market. This suggested that the rebate change alone did not significantly impact market dynamics. Concerns regarding market concentration were analysed. In this respect, the Commission noted that, in general, regulatory bodies carefully scrutinise mergers and acquisitions to prevent anti-competitive behaviour. Such matters, however, fall outside the scope of the present trade investigation. On this basis, these claims were rejected.
- (310) User OPTIPLAN GmbH submitted comments after the deadline specified in the Notice of Initiation, which requires all interested parties to submit their views, information and supporting evidence within 37 days of the Notice's publication. In its submission OPTIPLAN submitted that an increase in the combined anti-dumping and countervailing duties would have an impact on its activities as it would disrupt its supply chain due to the limited supply and need to qualify new suppliers. OPTIPLAN also claimed that higher measures would also increase its costs.
- (311) While OPTIPLAN did not provide any evidence to support its claim relating to the shortage of supply, the Commission refers to recital (307) where this issue is already addressed. In the absence of questionnaire reply by OPTIPLAN, the claim relating to costs could not be assessed. Therefore, these comments were rejected.
- (312) Following disclosure, PROXIM argued that the Commission did not duly take into account the situation and arguments of Union users of glass fibre reinforcements (GFR). It submitted that users are in a significantly more difficult competitive position than Union producers, particularly those that are vertically integrated. PROXIM further claimed that the Commission failed to provide adequate assistance to users to facilitate their effective participation in the investigation, which resulted in their concerns not being properly reflected in the findings.
- (313) The Commission recalled that all known users and unrelated importers identified in the request were duly informed of the initiation of the review. A Notice of Initiation was published in the Official Journal, questionnaires for users and importers were made available online, and all parties were invited to provide comments and request hearings. Several users, including PROXIM, did in fact make submissions, and parties who requested a hearing were granted one. The Commission therefore concluded that users were given every opportunity to participate, and that their arguments were taken into account in line with the procedural requirements.
- (314) PROXIM also argued that, according to publicly available information, the Government of the People's Republic of China reduced in late 2024 the level of export tax rebates for certain categories of non-metallic mineral products, including potentially relevant tariff lines for GFR, from 13 % to 9 %. In its view, this development effectively lowered the level of subsidisation on the side of the PRC and should have been taken into account when establishing the level of countervailing measures.
- (315) With regard to the reference to the reduction of the PRC's export tax rebate in late 2024, the Commission noted that large volumes of dumped imports from the PRC continued to enter the Union market even after this rebate reduction. As set out in the investigation, the rebate change did not materially alter market dynamics, which remained characterised by significant price undercutting and price suppression by Chinese imports. Moreover, the rebate change occurred after the review investigation period and therefore could not be factored into the determination of the level of subsidisation in this proceeding.
- (316) Furthermore, PROXIM claimed that the current level of measures risks harming downstream industries in the Union by increasing their costs in comparison to competitors outside the Union. In particular, it pointed to the risk of reduced competitiveness of Union users and possible relocation of downstream activities outside the Union. PROXIM therefore requested that the Commission ensure a more balanced approach between the protection of Union producers and the interests of Union users, so as to avoid disproportionate harm to the latter.

- (317) As concerns the claim that the measures would increase users' costs and reduce their competitiveness compared to operators outside the Union, the Commission found that any cost impact is expected to be limited given the moderate share of glass fibre reinforcements in total production costs and the availability of alternative sources of supply. The Commission concluded that the measures would not materially affect the competitiveness of Union users nor lead to relocation of downstream activities. Therefore, the Commission rejected this claim.
- (318) On the basis of the information available to the Commission and in the absence of meaningful reply by users and importers, there was no evidence contradicting the conclusion that any negative impact of the measures on unrelated importers and users is expected to be limited and will not outweigh the positive effect of measures on Union producers.

### 7.3. Interest of suppliers

- (319) Companies that supply epoxy resin to the Union industry Olin Epoxy & Chemicals International (US), Westlake Epoxy BV (NL) and Spolek pro chemickou a hutní výrobu, akciová společnost (CZ), expressed their support for the implementation of the measures. They emphasized the importance of having all key components and materials within this value chain located in the Union to ensure resilience in strategic sectors. They further asserted that maintaining such a presence will bolster the supply chain and enhance the Union's capacity to innovate and effectively respond to market demands.

### 7.4. Conclusion on Union interest

- (320) On the basis of the above, the Commission concluded that there were no compelling reasons that it was not in the Union interest to amend measures on imports of GFR originating in China.
- (321) As concluded in recital (267), the Union industry was suffering material injury in the review investigation period. Consequently, the current level of the measures is no longer sufficient to counteract the dumping which is causing injury.

## 8. DEFINITIVE ANTI-DUMPING MEASURES

- (322) On the basis of the conclusions reached by the Commission on dumping, injury, causation and Union interest, it is evident that the existing measures are not achieving the intended results in removing the injury. Therefore, the level of existing measures should be amended to prevent injury caused to the Union industry by dumped.
- (323) To determine the level of the measures, the Commission examined whether a duty lower than the margin of dumping would be sufficient to remove the injury caused by dumped imports to the Union industry.
- (324) The injury would be removed if the Union Industry were able to obtain a target profit by selling at a target price in the sense of Articles 7(2c) and 7(2d) of the basic Regulation.
- (325) In accordance with Article 7(2c) of the basic Regulation, for establishing the target profit, the Commission considered the following factors: the level of profitability before the increase of imports from the country under investigation, the level of profitability needed to cover full costs and investments, research and development (R&D) and innovation and the level of profitability to be expected under normal conditions of competition. Such profit margin should not be lower than 6 %.
- (326) With regard to the level of profitability before the increase of imports from the PRC, the Commission looked at the profit achieved by the sampled Union producers over a period of 10 years. It was noted that imports from China were present on the Union market during the entire 10 years and therefore it was not possible to establish a profit margin on the basis of any of these years prior to the increase of imports from the PRC. Also, the year 2022 was found to be heavily influenced by the post-COVID-19 economic recovery and did not appear appropriate to set the target profit. Therefore, it was considered that the year 2016 was appropriate as it was the most recent year when the Union industry operated under normal market conditions following the imposition of the anti-dumping and countervailing measures in 2014. In year 2016 Union industry achieved profit of 12,28 % while imports from the PRC accounted for 8 % of the Union consumption <sup>(121)</sup>.

<sup>(121)</sup> See footnote 7.

- (327) The Union industry provided evidence that its level of investments, research and development (R&D) and innovation during the period considered would have been higher under normal conditions of competition. The Commission verified this information during the on-spot verification visits by checking the company's internal records relating to investment plans, management decisions and financial statements. The claims of the Union industry were found to be warranted. To reflect this in the target profit, the Commission calculated the difference between investments, R&D and innovation ('IRI') expenses under normal conditions of competition as provided by the Union Industry and verified by the Commission with the actual IRI expenses over the period considered. Based on verified information regarding investments which could not be implemented during the period considered, the target profit margins were increased by between 0,26 % and 1,99 % depending on the sampled producers.
- (328) Hence, the target profit which was established in this investigation and in accordance with Article 7(2c) of the basic Regulation ranged between 12,54 % and 14,27 % depending on the situation found in each of the sampled companies.
- (329) On this basis, the Commission calculated a non-injurious price of the like product for the Union industry by applying the respective target profit margins to the cost of production of the sampled Union producers during the review investigation period.
- (330) In accordance with Article 7(2d) of the basic Regulation, as a final step, the Commission assessed the future costs resulting from Multilateral Environmental Agreements, and protocols thereunder, to which the Union is a party, that the Union industry will incur during the period of the application of the measure. Based on the submitted information, which was supported by the companies' reporting tools and forecasts, the Commission established that there were no additional costs of compliance with such conventions during the RIP.
- (331) The Commission then determined the injury margin level on the basis of a comparison of the weighted average import price of the sampled cooperating exporting producers in country concerned, anti-dumping and countervailing duties excluded, with the weighted average non-injurious price of the like product sold by the sampled Union producers on the Union market during the investigation period. Any difference resulting from this comparison was expressed as a percentage of the weighted average import CIF value. As explained in recital (230), in the case of sampled exporting producer Taishan Fiberglass Inc., sales made under the special supply agreement with Union producer European Owens Corning Fiberglass SPRL were excluded from the injury margin calculations.
- (332) The injury elimination level for 'other cooperating companies' and for 'all other imports originating in PRC' is defined in the same manner as the dumping margin for these companies and imports (see recitals (218) and (219)).

| Company                                                                        | Injury elimination level |
|--------------------------------------------------------------------------------|--------------------------|
| CNBM Group                                                                     | 72,2 %                   |
| Jiangsu                                                                        | 87,3 %                   |
| Other cooperating companies, i.e. Chongqing Polycomp International Corporation | 76,1 %                   |
| All other imports originating in the PRC                                       | 87,3 %                   |

- (333) Following disclosure, Glass Fibre Europe pointed to certain clerical errors in the calculation of the injury margin. Upon reviewing those comments, the Commission identified and corrected the errors in the calculations, which resulted in an adjustment to the injury margin that were disclosed to the cooperating Chinese exporting producers.
- (334) In accordance with Article 24(1) and Article 15(2) of Regulation (EU) 2016/1037 of the European Parliament and of the Council<sup>(122)</sup> and in order to avoid double counting, the Commission first imposed the definitive countervailing duty in place. The countervailing duties remained unchanged, with exception of the countervailing duty of Jiangsu as for this company the duty (4,9 %) was set at the level of the injury margin in the original investigation. This was followed by the remaining definitive anti-dumping duty, which corresponded to the relevant dumping margin reduced by the amount of the countervailing duty, and in the case of Jiangsu reduced by the amount of the subsidy margin (5,8 %). As the investigation established that the dumping margins were lower than the injury margins, anti-dumping duties are to be imposed at the level of the dumping margins. Since the dumping margin was reduced with the entire amount of subsidisation, there was no double counting issue.

<sup>(122)</sup> Regulation (EU) 2016/1037 of the European Parliament and of the Council of 8 June 2016 on protection against subsidised imports from countries not members of the European Union, (OJ L 176 30.6.2016, p. 55, ELI: <http://data.europa.eu/eli/reg/2016/1037/oj>).

(335) On the basis of the above, the rates at which such duties will be imposed are set as follows:

| AD & CVD combined                                                              | Dumping margin | Injury elimination level | Subsidy margin | Countervailing duty | Anti-dumping duty |
|--------------------------------------------------------------------------------|----------------|--------------------------|----------------|---------------------|-------------------|
| CNBM Group                                                                     | 33,2 %         | 72,2 %                   | 10,2 %         | 10,2 %              | 23,0 %            |
| Jiangsu Changhai Composite Materials Holding Co., Ltd.                         | 23,0 %         | 87,3 %                   | 5,8 %          | 5,8 %               | 17,2 %            |
| Other cooperating companies, i.e. Chongqing Polycomp International Corporation | 30,2 %         | 76,1 %                   | 9,7 %          | 9,7 %               | 20,5 %            |
| All other imports originating in the PRC                                       | 33,2 %         | 87,3 %                   | 10,2 %         | 10,2 %              | 23,0 %            |

(336) The individual company anti-dumping duty rates specified in this Regulation were established on the basis of the findings of this investigation. Therefore, they reflect the situation found during these investigations in respect to these companies. These duty rates are thus exclusively applicable to imports of the product under investigation originating in the country concerned and produced by the named legal entities. Imports of the product concerned manufactured by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, cannot benefit from these rates and should be subject to the duty rate applicable to 'all other imports originating in People's Republic of China'.

(337) A company may request the application of these individual duty rate if it changes subsequently the name of its entity. The request must be addressed to the Commission<sup>(123)</sup>. The request must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a regulation about the change of name will be published in the *Official Journal of the European Union*.

(338) To minimise the risks of circumvention due to the difference in duty rates, special measures are needed to ensure the proper application of the individual anti-dumping duties. The application of individual anti-dumping duties is only applicable upon presentation of a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) of this Regulation. Until such invoice is presented, imports should be subject to the anti-dumping and countervailing duty applicable to 'all other imports originating in People's Republic of China'.

(339) While presentation of this invoice is necessary for the customs authorities of the Member States to apply the individual rates of anti-dumping duty to imports, it is not the only element to be taken into account by the customs authorities. Indeed, even if presented with an invoice meeting all the requirements set out in Article 1(3) of this Regulation, the customs authorities of Member States should carry out their usual checks and may, like in all other cases, require additional documents (shipping documents etc.) for the purpose of verifying the accuracy of the particulars contained in the declaration and ensure that the subsequent application of the rate of duty is justified, in compliance with customs law.

(340) Should the exports by one of the companies benefiting from lower individual duty rates increase significantly in volume, in particular after the imposition of the measures concerned, such an increase in volume could be considered as constituting in itself a change in the pattern of trade due to the imposition of measures within the meaning of Article 13(1) of the basic Regulation. In such circumstances, an anti-circumvention investigation may be initiated, provided that the conditions for doing so are met. This investigation may, inter alia, examine the need for the removal of individual duty rate(s) and the consequent imposition of a country-wide duty.

<sup>(123)</sup> European Commission, Directorate-General for Trade, Directorate G, Wetstraat 170 Rue de la Loi, 1040 Bruxelles/Brussel, BELGIQUE/BELGIË.

- (341) To ensure a proper enforcement of the duties, the duties for all other imports originating in People's Republic of China should apply not only to the non-cooperating exporting producers in this investigation, but also to the producers which did not have exports to the Union during the investigation period.
- (342) Exporting producers that did not export the product concerned to the Union during the RIP should be able to request the Commission to be made subject to the anti-dumping duty rate for cooperating companies not included in the sample. The Commission should grant such request provided that three conditions are met. The new exporting producer would have to demonstrate that: (i) it did not export the product concerned to the Union during the IP; (ii) it is not related to an exporting producer that did so; and (iii) has exported the product concerned thereafter or has entered into an irrevocable contractual obligation to do so in substantial quantities.
- (343) The measures provided for in this regulation are in accordance with the opinion of the Committee established by Article 15(1) of Regulation (EU) 2016/1036,

HAS ADOPTED THIS REGULATION:

#### Article 1

The table in Article 1(2) of Regulation (EU) 2023/1452 shall be replaced by the following table:

| Company                                                                                                                                       | Definitive anti-dumping duty | TARIC additional code |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------|
| CNBM Group:<br>— Jushi Group Co., Ltd.,<br>— Jushi Group Chengdu Co., Ltd.,<br>— Jushi Group Jiujiang Co., Ltd.,<br>— Taishan Fiberglass Inc. | 23,0 %                       | B990                  |
| Jiangsu Changhai Composite Materials Holding Co., Ltd.                                                                                        | 17,2 %                       | A983                  |
| Other cooperating companies, i.e. Chongqing Polycomp International Corporation                                                                | 20,5 %                       | B991                  |
| All other imports originating in the People's Republic of China                                                                               | 23,0 %                       | A999                  |

#### Article 2

Article 1(2) of Regulation (EU) 2023/1452 may be amended to add new exporting producers from the People's Republic of China and make them subject to the appropriate weighted average anti-dumping duty rate for cooperating companies not included in the sample. A new exporting producer shall provide evidence that:

- it did not export the goods described in Article 1(1) during the review investigation period (1.10.2023 to 30.9.2024);
- it is not related to an exporter or producer subject to the measures imposed by this Regulation, and which could have cooperated in the original investigation; and
- it has either actually exported the product concerned or has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the period of investigation.

*Article 3*

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 November 2025.

*For the Commission*  
*The President*  
Ursula VON DER LEYEN

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